

Lisa Anderson's *Profit Through People*[®] Newsletter



November 2018 - Issue #153

Welcome from Lisa

During November, I met my global strategy group in Adelaide, Australia. Since I was already there, I thought it was a great opportunity to see my cousin and a bit of Melbourne. This picture is of the 12 Apostles along the Great Ocean Road outside of Melbourne.



I find it is always beneficial to think about strategy and what you'll start doing, stop doing and continue doing. Having a diverse group of global consultants to bounce ideas off of is quite helpful, and it allows me to bring more value to clients.

Prior to taking off for Australia, I moderated the APICS Inland Empire executive panel and networking symposium on "Advancing Innovation and Navigating Global Trends". We had fascinating discussions with a powerful panel - one of our best ones yet!

I also presented an award at the Inland Empire Economic Partnership's (IEEP) event, "Turning Red Tape into Red Carpet Awards Ceremony". Congratulations to Rancho Cucamonga for winning under the category "Sustainable and Green Development"!

I'm thrilled to announce that I was honored as a Top Technology Influencer of 2018 by FitSmallBusiness. Check out my top tip in the article featuring the recognized awardees.

Lastly, even though I was on a bowling league for a few years as a child and again when I first started working after college, I bowled my worst game ever with my ProVisors group (even worse than earlier this year with a different ProVisors group when I bowled on my wrong leg due to an injury)! However, as one of my colleagues said, I was in first place of women bowlers. I think it is all in the positioning!

IN THE NEWS

Check out my latest speeches, articles & quotes:

- Featured in the Manufacturing Council of the Inland Empire's Manufacturing Summit [video](#).
- Featured in the APICS San Fernando Valley's Women in Manufacturing panel [video](#).

I hope you have a wonderful holiday season!

Enjoy!
Lisa

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

P.S. If you know of anyone who is interested in achieving scalable, profitable growth, please refer them to [us](#).

The Systems Pragmatist

Supply Chain Resiliency: Top Requests from Clients on Technology

Next in our [supply chain resiliency value series](#), we are sharing a short video on the relevance of ERP and e-commerce systems from the Manufacturing Summit's panel "Amazon Effect: Pass or Play - the New Sales & Distribution Game and How it Affects Manufacturing".



I'm responding to a question on what manufacturers and distributors need when it comes to systems and technology. Every client in the last few years has requested a project objective that goes back to the overarching goal of scalable, profitable growth. The trick is how to achieve BOTH a superior customer experience (with increasing pressure from disruptors such as Amazon and Uber) and profitable growth. Of course, there is no easy answer, and it depends on a multitude of factors. With that said, there is an ever increasing need to scale with technology inclusive of ERP, e-commerce and more.



MCIE Panel Thinking Ahead to E Commerce,
Scale and ERP Systems Lisa Anderson

ERP has become much more of a strategic topic. It isn't about blocking and tackling and using ERP to achieve tactics. Instead, it is about whether a business has the technology and systems to scale in a scalable, profitable way. Do your systems support your customers' needs? If not, you had better jump into the fray or the next disruptor will eat your lunch. If your answer was, 'yes but I have to do x, y and z to make it work,' our next question is will this process be repeatable, reliable and profitable? If not, perhaps you better think twice. It is likely your competitor will answer yes. Lastly, have you thought about your customers' needs a year into the future? If you aren't prepared to handle them currently, you are getting behind.

Our most successful clients don't wait so long that they lag behind. Is it time for an upgrade? You are most welcome to our [free resources](#) to determine whether it is the 'right' time. As you debate the benefits vs. costs, keep in mind that as hard as it is to take the leap, the most successful executives are willing to take on prudent risk to make leaps forward. Are you? If you would like an expert to assess your situation to determine whether you should further leverage your current software, put the effort into upgrading or simply focus on people and process improvement opportunities, [contact us](#).

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

[**Should You Upgrade Your ERP System?**](#)

Profit through People

The Resilient Supply Chain: Are You Resilient?

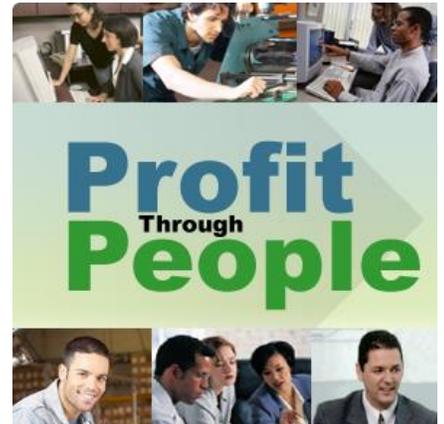
I was carpooling across town for an event that was already postponed once in rainy weather in rush hour in Southern California, and if this situation doesn't call for resilience, I don't know what does! Of course, something is bound to go awry, starting with traffic jams galore.

We both had to be home at an early hour to get to key events that evening, and we didn't have the best of days. Not only did we miss key meetings to attend the postponed event, but the most important part of the day was cancelled due to delays, and several things weren't coordinated too well. Thus already a little frustrated, we headed home.

My carpool partner was already concerned about driving through large puddles with her small car because she didn't want it to stall out. Prior to the tour, we made several trips around the parking lot, and it was decided we had to move to higher ground or we'd be up to our knees in water. After the tour, while making our way to the exit, we had to drive through big puddles again. On the last big puddle before exiting the lot, the car started making a loud noise. Not good!

After we pushed through and pulled off to the side, it was apparent that the undercarriage cover came off. Clearly the water didn't make it fall off but there must have been something in the water that caused it to separate. We were at a male dominated facility, and there were at least 4 guys at the exit. They came over but seemed quite uncertain as to the issue. My carpool partner was no expert at cars but saw that it was the undercarriage and decided we should back up so that we could see it and weren't dragging it along. She asked them for ideas or recommendations for a shop nearby. No one had any idea and just pointed out that the undercarriage was dragging below the car. My carpool partner was becoming frustrated.

After a few more minutes where they were of no help, she decided we could tie the undercarriage up so that it would stay for the ride home; however, we needed rope. Of course, no one had a clue. Luckily,



she found rope in the backseat (which, I admit, would never be found in my backseat...until this experience). Next she tied it up herself as one or two of the bystanders watched. We needed a scissors to tie it up. What do you think happened next? Of course - no one knew. I went over to the guard shack and borrowed a pair. She cut the rope and we drove back in the rain for about 2 hours in heavy traffic.

Since she is new to the area and didn't want to leave the temporary rope option too long, it occurred to me that my mechanic is amazing at customer service and would probably help us out. I texted him, told him the story and said we'd drop by in 20 minutes. When we showed up, he took us immediately, offered us coffee and conversation while they assessed the issue. He returned with a temporary solution and showed us why she would have to purchase a new undercarriage cover. Less than 30 minutes later, we left with the car intact and safe to drive until the dealer could order a need cover that he offered to put on for her. He didn't charge us for this service and left us thanking him profusely. My carpool partner even left with a tip on how to buy a new truck for her husband who was moving out the next day. Who doesn't value relationships!?!

In this situation, we could have become seriously delayed (missing our evening events or taking Uber on a lengthy drive), stuck, angry and more. Instead, my carpool partner took control of the situation, got us going and then we leveraged fabulous connections to ensure the temporary solution would "stick". Resilience and perseverance won out in the end! What would you have done?

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[Hidden Figures & Providing Value](#)

Eagle Eye

The Resilient Supply Chain: Cross-Organizational Collaboration

I've been coordinating a process involving several disparate players, ranging from multiple educational institutions who are not aligned with one another, government players (with many differing goals), and business partners (with a completely different set of needs). Although there are others, these 3 core groups are more than enough!

Success will only come to those who find common ground with collaboration. If collaboration was as easy as simple communication, everyone would do it. We would probably have a lot more happy customers and more profits to share with investors, employees and for reinvestment and giving back. What should we think about if this is the outcome we wish to create?



1. Look for the win-win-win - If someone wins and someone else loses, it isn't a successful collaboration. If you think hard enough, there is always a way to turn a situation into more of a win-win-win with some shared give-and-take.

2. Think about positioning - if your idea is presented in isolation, it has a much greater chance at failing than if it is presented in light of the bigger picture. Why is it important? How can each person play a role? Does each person know how he/she fits in and provides value?

3. Value diversity - Each time I think "I don't want to be on this person's team because he/she is annoying or won't add value", I find that I am completely wrong (luckily these are just thoughts; not actions). The best ideas come from the most unlikely places, and interesting suggestions that can lead to

"big" ideas typically come from someone who is quite opposite and thinking about the situation from a different perspective.

4. Recognize progress of the team - Who doesn't want to be recognized with a pat on the back as progress is made! The key with collaboration is not to say positive things about collaboration and then reward individual performance. Instead, reward team progress, even if that progress is simply gaining an understanding of how much they do not agree with each other but are willing to listen.

5. Consensus isn't needed - as much as collaboration can achieve dramatically better results than each superhero individual thinking on his/her own, consensus is overrated. Set the expectations upfront of how collaboration works. Feedback and input is expected. Discussion and debate participation is mandatory. But consensus isn't required for every decision. Otherwise, you might get there eventually but your competition will be LONG gone. More importantly, determine how to collaborate and make decisions upfront.

The importance of collaboration comes up more frequently than almost any other topic. Since executives are collaborating with customers, suppliers, trusted advisors, other supply chain partners, and even competitors, there is just no room for poor collaborators. If you'll notice, many disruptors collaborate with strange partners. Perhaps this core skill is a key ingredient to success.... Or, think of it another way, how will anything get done without it?

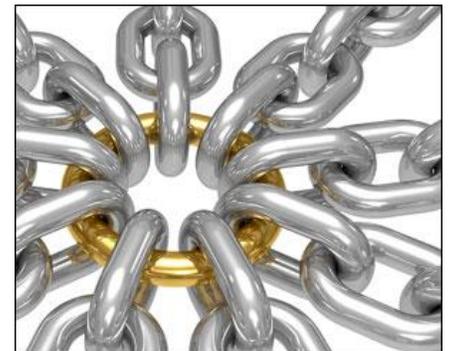
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[Collaboration in the Supply Chain](#)

The Strongest Link in Your Supply Chain

The Resilient Supply Chain: What If You Sell More?

In thinking about the answer to the question, "What if you sell more?", most sales people would cheer. Most accountants would add up the additional revenue and profit. And, often, the Operations resources would be glad the leaders are in a good mood. But does anyone know if we are set up to successfully handle the increased sales if they occur?



There are several questions to consider in evaluating 'what if you sell more'. It all boils down to capacity.

- 1. Machine capacity** - do you have the machine capacity to keep up with the increased demand? If not, can you retrofit a machine? Can you use a machine from another facility?
- 2. Labor capacity** - it is very frequently a significantly bigger issue than anything else. Do you have the people to turn up the volume? Can you add another shift? How about overtime? Do you have a partner who can supply temporary workers as needed? If you have the sheer numbers of people, the question becomes, do you have people with the appropriate skills for the specific products being sold?
- 3. Supplier capacity** - even if you have the manufacturing and logistics capacity, it won't matter if your suppliers cannot keep up with demand. What are your suppliers' expectations? Do they have flex capacity? Will they prioritize you?

4. Cash reserves capacity - none of this matters if you do not have the cash reserves or liquidity to fund sales growth. Aggressive growth sounds like a pleasant problem to have vs. cutting back; however, if you cannot fund growth, it can quickly become unpleasant.

5. Infrastructure capacity - will your internal people, processes and systems support the increased demand? Will increased volume lead to decreased margins? Customer complaints? Loss of visibility? Or can you scale effortlessly?

As much as selling more is a great problem to have, it pays to think about it before you run into it unexpectedly. Some companies get carried away with rules and regulations designed to stifle Sales. That doesn't work either! Instead, think proactively, plan for the likely, think through contingencies and remain light on your feet. And, you'll be able to answer the question, 'what if you sell more?' with a resounding "YES!".

Did you like this article? Continue reading on this topic:

[Capacity Planning](#)

Connections

- My nephew graduated from a 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 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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