



September 2014 - Issue #103

## Welcome from Lisa

September flew by, and I barely lifted my head up to notice! I'm not sure if this is a sign of getting older..... I hope not.

I enjoyed visiting my family in AZ and was quite busy with clients during September.

October is gearing up to be a busy month too with clients and other events. I am speaking at **APICS 2014** in New Orleans - come join me. I also have a conference in New York, am spending time with good friends in Seattle for a short stint and will go to AZ for my Mom's 70th birthday. Before I know it, it will be Nov 8th for my APICS Inland Empire's flagship event, our fall executive panel and networking event.



We have an amazing lineup of panelists to discuss the **Amazon Effect: The Critical Importance of Customer Service to Manufacturing and Distribution**. As you probably know, this has been a primary area of focus for my consulting practice as well in the last few years. Slashing lead times and improving service levels is cornerstone to success. Please join us in Corona on Nov 8th.

### **IN THE NEWS**

Please check out my latest speeches, articles & quotes:

- Quoted in SAC article "Expect a Return to Americas for Some Manufacturing Operations".
- Published "Innovation is a Must for Project Success" in *Project Times*.
- Led an ExecSense webinar "How to Build an Internal Change Capability for Organizational Agility".

As I said in my intro, I am speaking at **APICS 2014** on "Skills Gap: Cultivating Empowered & Engaged Employees" in New Orleans on October 19th. Look under Professional Development. I'd love to have you join us; however, if you are unable to do so, please send me your ideas and questions re: the topic, and I'll make sure to address them in my next newsletter.

Enjoy,  
Lisa

Email  
LMA Consulting Group, Inc.

P.S. Please think of me if you should know anyone who would like to connect business objectives with results.

## Do Not Ignore Your Stars

When I talk about The Manufacturing Connector(SM), I am referring to the comprehensive process to

Since the beginning of 2014, the job market has been robust and employers are struggling to find high-skilled, qualified candidates for key positions. I've talked frequently about this skills gap and performed research on the topic as I am convinced that those who get ahead of the skills gap will thrive and leave the rest in the dust. Join me at APICS 2014 to hear more about my research findings and strategies for success.

One key component to succeeding while others continue to struggle with the skills gap is to retain top talent. I cannot tell you how often this is overlooked at my clients and in organizations across the globe. My estimate is that 80% of companies under appreciate their top talent. Thus, why is it any surprise when top talent heads for the doors?

Luckily this problem is resolvable. If you follow a few key steps, you will be far more likely to KEEP your stars. 1) Take stock of your talent. 2) Focus on leadership. 3) Address poor performers.

**1. Take stock of your talent:** Get off the daily treadmill for a "talent strategy session". If you do not prioritize your people, how do you expect to drive growth and profit? Set aside the time and gather up your management team. Go through your talent. How do you identify your top talent? Some might seem obvious. Although it's a start, it is not enough. Look for your "hidden treasures". Who consistently gains results and comes up with new ideas? Don't look in the obvious areas as I find top talent is often overlooked. Think about who you would struggle without. Oddly enough, think about who might annoy you by bringing up potential roadblocks. Your stars are thinking 5 steps ahead and it might not make them popular. In my experience, the first time leaders realize a top talent has left is when what seemed to be easy and "just happen" no longer occurs. Don't wait that long!

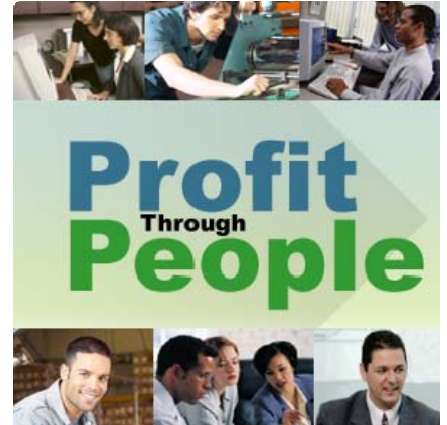
Once you identify your top talent, take stock of how they are doing. What is important to them? What do they value? How likely are they to consider the "perfect job" if a recruiter happened to call tomorrow? Trust me, a recruiter will eventually find them or they will get frustrated and explore opportunities.

**2. Focus on leadership:** Next, go back to basics. People do not stay for the money. The lack of money is a demotivator; however, money is not a motivator. So, why do they stay? I often work with these stars as they are vital to achieving project results, and so I listen up! In essence, once your star is being paid in alignment with the salary range for the job, leadership will make or break your success.

Do your leaders seem to appreciate their hard work AND results? Or, are they caught up in whoever "kisses up" to the boss? Your stars will know. Do your leaders ask for input and feedback? Is it a give-and-take conversation? Listening alone is worse than not listening. Stars want to know their thoughts are not only heard but that they are incorporated into a plan or that they learn what could be improved for next time. Learning opportunities and challenging environments are a must.

Do you provide opportunities for advancement? For an outsider like me, it can get to be humorous (if I wasn't so frustrated) - sometimes, we overlook obvious steps. Find out what they do and have done in the past. For example, one client thought giving a star a new challenge would make up for the lack of advancement; however, they didn't bother to figure out that she had already done that job in the past and found it less challenging than the one she was in!

A simple way to consider whether you are focusing enough on your stars is to think about where you spend the majority of your time: with your non-performers or with your high performers?



**3. Address poor performers:** Last but not least, you must address non-performers. There is nothing worse than seeing a non-performer carry on for a star. They want to know that what they are doing is a value-add. If an obvious non-performer is ignored, it signifies that it is OK to be a poor performer.

Perhaps high performers aren't even valued.....

I would bet significant money that if executives found their true stars and focused half the energy on their stars as they do on fire fighting, they would be wildly successful. Why not give it a shot?

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[Develop a Talent Edge](#)

Eagle Eye

## What You Can Learn from an Organizing Guru

My 5th grade teacher (who was also involved in politics) told my Mom that I was the most organized student she had ever had. Thus, my Mom was not surprised when I went into the supply chain management field and specifically production planning after college.



As is probably a natural progress of one's career, I have moved from details to big picture; however, organization plays a role in both. I see organization as providing a way to determine when details are key vs. when the big picture is paramount. The vast majority of situations are not black or white. Thus, we need a frame or lens for viewing them.

As you perform your daily tasks, think about how to categorize them. Suddenly you might go from 1000 priorities to 3 categories of priorities. Which will be easier to handle? Also, if you think in terms of categories, it is easier to see trends and potential bottlenecks. How does 1 item stick out from the rest of "like-items"? Should you pay attention to the deviation?

Organization doesn't have to mean you are neat and tidy. In fact, I seem to have a bit of chaos in my car; however, I have a system for finding what I need when I need it. I have a garbage within easy reach. Steel toed shoes are in a bag in my backseat as I need them to walk around some clients' facilities. I have many CD's to listen to on my rides around L.A. Eventually I will upgrade to an iPod; however, currently they are within easy reach and I can find the right topic quickly. Label your items.

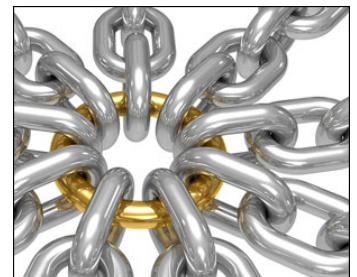
One last tip is to not put key items away. It might sound bizarre but it works. Actually this idea is somewhat lean before I knew it was lean. I keep those things I need to do on my desk or at my fingertips so that I remember and prioritize them. Once I put it into a folder (even if it is labeled "to-do"), strangely, I never get around to doing it.

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[Why Organizing Can Make or Break Your Project](#)

The Strongest Link in Your Supply Chain

## A Planning Mindset

Developing a planning mindset can be invaluable to not only planners but also to any supply chain management employee/ leader. When I refer to planning, I mean planning from multiple perspectives: production planning, raw material planning, project planning, SIOP (sales, inventory and operations planning), financial planning and budgeting etc.



I find that developing a plan is more than half the battle. If you are part of a team, it provides a way for everyone to be on the same page. Who should do what and when? What sequence should we follow? Are there dependencies?

It also allows for the optimizing of several variables. For example, a production plan should minimize inventory levels, maximize service levels and provide the best opportunity for increased efficiencies and reduced cost. Most plans optimize resources, costs and risks.

Even if you are developing a plan for only you to follow, it can be vital to success. It requires putting thought in upfront. Do not overanalyze; however, put in appropriate thought for the criticality of the topic. Have you thought through potential roadblocks that could arise?

Have you heard of the PDCA model? (Plan, do, check, act) The most successful put time in upfront - it yields significant results.

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[The Million Dollar Planner](#)

The Systems Pragmatist

## Why Upgrade Your ERP System?

I've been talking with an increasing number of manufacturers and distributors who are beginning to think about upgrading technology and specifically their ERP (Enterprise Resource Planning) system.

Selecting and implementing a new ERP system is no small endeavor; however, it can yield vast results in the right situation. A few reasons to consider an upgrade include:

1. **Service:** Your customers are more comfortable with your ability to service them. For example, one of my clients has a key customer who requires an ERP system to assure them that this start-up company will have the proper business processes and systems in place to succeed.
2. **Platform for sales growth:** How do you grow your business successfully and at a quick pace with already overloaded resources? Leverage systems.
3. **Customer need:** In order to satisfy your customer's needs without ballooning in size and increasing error rates, technology is required. For example, in today's environment, e-commerce must be an assumption. Does your system handle it well?
4. **Cash flow:** Typically upgrading your ERP system will provide enhanced tools for inventory management. By implementing this best practice functionality, you have the opportunity to decrease inventory levels while maintaining/ improving service levels.
5. **Margins:** ERP systems allow for numerous opportunities to improve efficiency. Additionally, there are robust reporting capabilities to slice and dice key data for management decision-making. Wouldn't it be helpful to know which customer is most profitable or which item is least profitable?



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[Leverage Your ERP System for Bottom Line Business Results](#)



## The Manufacturing Connector

When I talk about The Manufacturing Connector(SM), I am referring to the comprehensive process to connect the rapid assessment and identification of key priorities with the execution of results through the right combination of end-to-end supply chain expertise and improvements in people, processes and systems.

When going into additional depth when it comes to people (Profit through People), I find that it is where I spend 80% of my time and attention for my most successful clients. Thus sit up and pay attention!

The reason people are cornerstone to success and my original brand was "Profit through People" even though I focus on end-to-end supply chain topics is because people make or break success. I can't think of a success story within my clients or contacts where people didn't play a vital role. Can you?

For example, in order to radically slash lead times, it takes more than dictating a change to Customer Service; instead, it involves each aspect of your order fulfillment process from taking orders to planning production, collaborating with suppliers, managing capacity, resolving operational bottlenecks, implementing the concept of flow (lean thinking), etc. How can such a change be successful unless leaders rise to the challenge, cross-functional teams get formed, culture change occur, metrics get measured, and change management becomes commonplace?

Now expand your thinking to your supply chain partners. Are you collaborating with your customers? Do you have communication processes in place with your bank? Can they support your cash flow needs? How about your insurance carriers? Attorneys? Contract manufacturers? Etc.? It must be one, inter-connected web to succeed, and it will boil down to people!

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[Profit through People](#)

## Connections

Connections and relationships are the 80/20 of success!

### THIS MONTH'S REQUESTS:

- Registration is now open for my APICS Inland Empire's executive panel & networking symposium on Nov 8th. It has been sold out the last few times so don't delay - **register now**.
- My Ontario ProVisors group of trusted advisors is looking for an ERISA attorney, a real estate attorney and a commercial real estate broker. Please **email me** with your referrals.
- Don't forget that my key contact Pam Scrivner is in the process of relocating to the Coachella valley. She is a high quality office administration professional and leader with experience in accounting, operations, client relations etc. Please email **her** with ideas and connections to aid in her job search.
- The President of the APICS CSUSB student chapter has recently graduated in supply chain management and is searching for a job. He has taken SAP courses at CSUSB and so could provide an added advantage in an entry level job. Please email **Stephen** with ideas or referrals.



### CONNECTION SPOTLIGHT - ELLEN KANE

I thought about whether to highlight Ellen or not as she is largely retired (and loving it); however, I decided that I felt strongly that she is amazing and so I'd recognize her anyway. Ellen Kane is a founding

member of the **ACA Group** alliance (of which I am a more recent member....5-7 years and counting).

Ellen focuses on ERP selection and implementation; however, she does not stop there. She is also a supply chain management guru and APICS instructor and volunteer.

Ellen has led the Southwest student case competition for the last 7 years, and it has become a wildly successful competition with 100 students from universities throughout the country. There is no doubt that Ellen is top notch which is why I still try to make it worth her while to come in off the tennis court for a few hours to collaborate and work together on ERP projects. APICS students, you don't know how fortunate you are to have Ellen dedicated to your success. You can contact Ellen at

**[ekane@theacagroup.com](mailto:ekane@theacagroup.com)** or (818) 999-4877.

**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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