April 2015 - Issue #110

Welcome from Lisa

I have had a great year so far - nice business growth, attended, presented and/or interviewed at several manufacturing and distribution events, time with friends and family, and travel to interesting spots. For example, I just returned from a conference in DC. While there, I was able to capture the incredibly short cherry tree blossoms season on camera (see below):



As I said in a recent <u>I've Been Thinking</u> newsletter, cherry blossoms teach the high value of time. If there is 1 thing that ALL of my clients have in common, it is the importance of time in today's business environment.

IN THE NEWS

Please check out my latest speeches, articles & quotes:

- Quoted in the Learning Cafe's Electrical Distributor article "Navigating the Widening Skills Gap".
- Featured in *CBIA's News Magazine* in "<u>Amazon Effect Changing Customer Expectations of Manufacturers and Distributors".</u>
- My Manufacturing Connector Blog was named in the top 100 best supply chain management blogs in the world by <u>SupplyChainOpz</u>.
- Was the subject matter expert and led a webinar for Business 21 Publishing on "Expense Control Strategies to Increase Your Bottom Line".

May is a few days away which is the 10 year anniversary of my business, and I am thrilled to share that with you. Next month, I will dedicate my newsletter to this topic - and the best of the 10 years. Stay tuned...

Also, there are just a few seats remaining for the APICS-IE executive panel & networking symposium on Innovation on May 2nd. To learn more and register, click <u>here</u>. 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.

The Systems Pragmatist
Leverage Systems for Growth

Lately I've been talking with many clients and potential clients who are interested in growth. Although rapid growth is exciting, it can also be one of the most challenging to navigate. Systems can provide the perfect tool to leverage for success - whether your company is small or big.

Even the strongest of my clients are deterred with rapid growth. In many cases, the client is still relatively small and concerned with cash flow yet they are starting to experience "big company" problems. For example, customers do not care what you have to do to service them. They expect you'll have what they need where they need it when they need it. Just think about Amazon. Same day and next day delivery has become



commonplace. E-commerce capabilities and mobility (seeing the information on your cell phone and iPad) are expectations.

Similarly, larger companies also can benefit from systems. One of the best ways to gain new customers, new items and to cross-sell is to upgrade your capabilities. If you can stand out from the crowd by leveraging systems behind the scene, you can achieve great success. So, how can systems be leveraged for growth? There are several ways: 1) Volume. 2) Best practice processes. 3) Automation

Undoubtedly, one of the tenets of a system is that it is a vehicle to be leveraged to support significantly higher volumes without additional effort. Whether your customers buy 1 or 100 and whether you have 5 or 1000 customers does not matter to a system; however, it matters greatly if these transactions must be completed manually. The system will then figure out how many components and materials are needed to support these customer requirements. In essence, the system can function as a "big calculator" to cover these types of volume increases.

Next, the system will support best practice processes. Unfortunately I've seen clients (and people) who have the latest and greatest technology available yet they fail miserably. The reason this occurs is that they do not take the time to think through the optimal process to be utilized with the system. One way to think about this is "garbage in, garbage out". A system will only calculate "junk" faster if you don't focus time and attention on your processes. How can you set up your daily, weekly and monthly routine to best support your business? Build these into your system, and your system will become invaluable to growth.

The opportunity to automate is another advantage of leveraging a system for growth. There are countless opportunities to automate in every business. I've yet to walk into a new client without significant potential to take steps out of processes by having the computer perform steps and calculations for you within a set of guidelines. For example, instead of manually calculating what you need to produce in order to meet your customers' needs, an ERP system will figure that out for you and provide you with a recommended plan for review. Then, our job becomes managing exceptions and adding value instead of performing routine tasks.

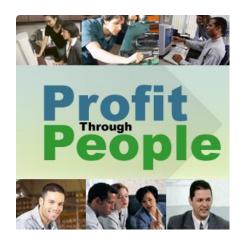
There are countless reasons to consider implementing a new system, upgrading your system or further leveraging your system to support growth. I see it as one of several "capacity items" that need to be put in place to support growth. If your sales people can sell without inhibition because they know you'll have the capacity (people, processes, systems, machines, etc.) available, imagine what can be achieved!

Profit through People

It Begins & Ends with People

I constantly go back to what my HR mentor (Debra Daniels) used to say, "It begins and ends with people." She was right!

Earlier today, I went to lunch with a 3 trusted advisors who work with the same types of clients as I do. One of them told us a story that reminded me of the critical importance of people. Long story short, he worked with a couple that ran a business. The husband believed in command and control type management - suppliers need to be squeezed, people are costs (not assets) etc. Eventually the wife filed for divorce, and the husband happily gave her the business while taking the great investment portfolio they had built. She listened to the people who worked for her, implemented ideas that made sense and was wildly successful. Grew the business 10-fold. Not only did she end up with the larger piece of the pie, the people were motivated and energized. Win-win!

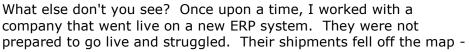


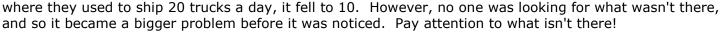
In your everyday interactions, think about how you would like to be treated. What would energize you? Treat others that way, and success will follow.

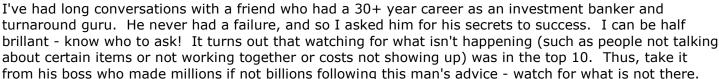
Did you like this article? Continue reading on this topic: It Begins and Ends wtih Leadership

Eagle Eye What You Don't See

Part of having an eagle eye is knowing what you don't see. I've found that being observant while walking around a manufacturing or distribution facility can yield many hidden gems. What don't you see? Do you not see bins of trash? If so, could it be that waste is minimal? Or do they recycle? Find out why you don't see trash bins.







turnaround guru. He never had a failure, and so I asked him for his secrets to success. I can be half brillant - know who to ask! It turns out that watching for what isn't happening (such as people not talking about certain items or not working together or costs not showing up) was in the top 10. Thus, take it from his boss who made millions if not billions following this man's advice - watch for what is not there.

Did you like this article? Continue reading on this topic: **How to Spot Trends**

The Strongest Link in Your Supply Chain Pioneer of Supply Chain Employment

I recently attended the Southern California Logistics & Supply Chain Summit hosted by the Center for Supply Chain & Logistics of the Drucker School of Management and the Inland Empire Economic Partnership. There were several interesting trends and innovations; however, the keynote speaker from Walgreens stood out in my mind.

If you are unwilling to try something new and fail, you will be a miserable failure at innovation. You must be willing to "go BIG or go home". Randy Lewis, the former Senior Vice President at Walgreens launched a division-wide



disability hiring initiative based on the principle of "same jobs, same performance, same pay" which resulted in 10% of its workforce composed of people with disabilities. He had loyal fans for employees - both those with disabilities and those without. Who said we cannot be innovative in a manufacturing or distribution environment?

Innovation is essential to succeed; it is no longer enough to be "good". You must be able to stand out from the crowd to succeed in today's business environment. Listen to pioneers like Randy. They will provide ideas and spur thought. Read about the latest trends. Attend events. For example, the <u>APICS-IE executive panel & networking symposium</u> has several innovation gurus on our panel. Value your supply chain employees - ASK them. Certainly if Walgreens can utilize people with disabilities and come out with equal efficiency with only half the absenteeism and workers comp costs, it is worth thinking outside the box.

Did you like this article? Continue reading on this topic: **How to Accelerate Cash Flow through Supply Chain Innovations**

Connections

Connections and relationships are the 80/20 of success!

THIS MONTH'S REQUESTS:

- My APICS Inland Empire Chapter is hosting our Spring Executive Panel & Networking Symposium on "Innovation: A Must for Manufacturing and Distribution Success" on May 2nd. <u>Last chance to secure a seat</u> now!
- My Ontario ProVisors group of trusted advisors is looking for an labor attorney, a real estate attorney and a commercial real estate broker. Please <u>email me</u> with your referrals.



- An excellent Supply Chain Manager with expertise in inventory management, systems, business processes, and project management with a specialty in aerospace in the Wichita area is looking for her next career opportunity. Please contact her with referrals and ideas.
- I've heard about a few companies looking for solid procurement professionals. If you are interested, *email me*.
- I know of a few excellent Supply Chain Leaders who are interested in making a change for the "right" opportunity. If you are interested, please <u>email me.</u>

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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