



June 2010 - Issue #52

In this issue:

- Sustainability – who knew that it's common sense?
- Lisa's tips - June's topic - Executive presentations
- Recommended reading

Sustainability – who knew that it's common sense?

Sustainability is gaining traction in today's cutting edge discussions. Whenever a topic pops up in multiple places suddenly, I take notice. I've read multiple articles in trade publications and magazines, attended a keynote at an international trade conference devoted to the subject and even read how my alma mater has developed a leading program in sustainability (of course!). So, what's all the fuss?

Several years ago, when the subject first started coming up in conversations, I wondered how this topic made business financial sense. Then, after a bit more research, I discovered I'd been working sustainability aggressively for many years and just didn't realize it – in essence, it is common sense!

I thought the University of North Carolina Business magazine defined it best - "Sustainability is about doing what's best for everyone involved - from shareholders to customers to employees and the community - in a way that respects the environment while ensuring financial returns for the company." Thus, who wouldn't want to be sustainable? Given this premise, I thought we'd discuss a few ideas of sustainable strategies a company could consider: 1) Optimize packaging. 2) Reduce waste. 3) Optimize freight.

1. **Optimize packaging.** When I was in my role as VP of Operations for a mid-sized manufacturer, we were relentless on sustainability – known to us as packaging optimization. Since we were in the midst of two major initiatives, redesigning our product for a new product launch and redesigning our product as a part of a cost reduction project while maintaining product performance, it made sense to include packaging in the process.

There were countless opportunities in packaging. A few examples include: 1) Compressing the product so that it fit into smaller plastic packages (or more items fit into the package) which then fit into smaller boxes (or more of them fit into the box). 2) Partnering with suppliers to develop new materials or tweak materials so that we could have a thinner material which still met product performance expectations and manufacturing expectations. 3) Taking a cross-functional view of packaging with logistics to optimize the number of boxes on a truckload, minimizing potential damage and optimizing storage and warehousing efficiencies. And the list goes on.... Each of these initiatives helped to improve the bottom line.

2. **Reduce waste.** Sounds simple and is the mantra of not only lean, the Toyota Production System and just good common sense but also sustainability. Each dollar of waste reduction = sustainability.

Since there have been mountains of data written on lean, my preference is to "keep it simple" – look for ways to reduce waste in your organization (ranging from reducing scrap on the manufacturing floor to reducing the number of steps required to process an order to reducing inventory levels), and then put plans in place to address the opportunities. It is as simple as that. In my experience, common sense was the 80/20 of reducing waste. Of

course, you'll run into technical issues etc, but there are always ways to resolve if the appropriate people are involved.

3. **Optimize freight.** Certainly anything you can do to optimize transportation costs will achieve the desired end result. Therefore, consider some of the following – Can you optimize your routes? Implement milk runs? Utilize pooling? Implement transportation optimization software to improve transportation efficiencies? Combine rail and over-the-road? Consider redesigning your transportation strategies (sourcing study)? Again, there are many options. Improving your transportation processes will likely reduce costs, gas, etc – and, many times, you can do it with improved customer service!

These are just a few sustainable ideas. They are largely common sense and do not require significant capital/ cash. As you can see, there are countless strategies which will drive the triple bottom line – people, planet and profit. Why not start with one that fits with your company and then tackle them one at a time? It is likely to not only drive results but also create an engaging teamwork environment.

Lisa's Tips: Executive presentations

There seems to be an increased interest in Executive presentations lately....perhaps because there is less money to spend with more competition for each dollar. If you are interested in additional detail on the topic, refer to my recent article, "Senior Management Commitment & the Bottom Line" on my website. A few tips on the topic include:

1. Focus on bottom line results – what else is there to say? This is vital.
2. Keep the presentation at the high level – it is tempting to get down into the details and methodology. Don't. Once the concept is approved, focus on detailed plans.
3. Use process visuals (graphs) – as the saying goes, "pictures are worth a thousand words".
4. Focus on the pragmatic – I'm thrilled to say that pragmatic is coming back into style (as it is right up my alley). Is it reasonable? Attainable? Can it be achieved within a reasonable amount of time?
5. Present a complete picture in terms of resources, support needed, priorities etc. – keep it to the key points but it is critical to include all relevant data so that the Executives have the big picture.

Recommended Reading

"["Speak Like a CEO"](#)" by Suzanne Bates – I found this to be an engaging book about speaking skills in a business setting. There's no doubt it is a critical subject and relevant to achieving business success, and so even if you only pick up a few tips and tricks, it's worth the read.

LMA Consulting Group

2058 N. Mills Ave, PMB 532

Claremont, CA 91711

Main: 909-630-3943

Fax: 909-625-5603

www.lma-consultinggroup.com

landerson@lma-consultinggroup.com