

March 2014 - Issue #97

### Welcome from Lisa

Time continues to fly by...not sure about how quickly I seem to be getting older (although it beats the alternative!).

I've had a busy schedule with great visits with family & friends including a trip to AZ to see my family, a visit from one of my business mentors (and friend) who drove down from WA, and a nice weekend with my uncle and brother where we saw the Getty and the Reagan Library (Air Force One was impressive). In my down-time, I love hanging out with my "best pets ever", Abby (dog) and Smokey (cat) - aren't they adorable?

Size can be deceiving as Smokey can hold his own with Abby. It's great to watch! Isn't that true in organization life too? This month, I'm back to my *Strongest Link in Your Supply Chain* service line, and my feature article talks to a critical topic in



organizations today - starting with your customer.

Speaking of customers, it's hard not to notice Amazon - Sunday deliveries, same day deliveries (which my parents "need" frequently), drones etc. I'd appreciate your participation in a survey I'm conducting on how Amazon-like customers/ distributors are impacting businesses. Please take the survey **here**. Also, please forward on to any of your colleagues you think appropriate. Of course, I will send you the results.

### IN THE NEWS

Please check out my latest speeches, articles & quotes:

- My manufacturing skills gap survey results were quoted in numerous media outlets including <u>Adecco</u>, <u>Material Handling & Logistics</u>, and <u>The Fabricator</u>.
- Published <u>"5 Keys to ERP Project Success"</u> in Project Times and "<u>Volatility is the New Norm: How to</u> <u>Thrive in 2014</u>" in Executive Brief and <u>"Throw Out Complex Project Timelines & Achieve Results</u>" in the Daily Mint.
- Was the subject matter expert and led an *ExecSense* webinar, "<u>What Every CFO Should Know</u> <u>About Reducing Expenses in 2014</u>".

I'd also like to personally invite you to APICS Inland Empire's 3rd annual executive panel & networking symposium on May 3rd at Eagle Glen in Corona. <u>RVSP</u> early for this popular event to get your seat!

Also, remember to check out this month's Connection Spotlight. And, last but not least, please take a look at my weekly <u>blog post</u> from the desk of the *Manufacturing Connector*.

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 Strongest Link in Your Supply Chain Start with Your Customer

I recently was the subject of what's called a "member spotlight" Q&A (question and answer) session about my business. Knowing my business centers on the supply chain, my interviewer asked me to draw a picture of a supply chain. It's always a good place to start as there are countless definitions of what people mean when they say "supply chain management".



In my case, I drew a web of interconnected points spanning from your supplier's supplier through manufacturing and distribution to your customer's customer. Afterwards, my interviewer asked me, "Why do you

always start with the end of the diagram - going out from the manufacturer to the customer?" I never realized I did that before she asked the question; however, it makes sense. Success begins and ends with "your customers".

There are many ways to think about your customers - some a waste of time and others will lead to tangible results. A few strategies which have proven successful include: 1) Understand your customer. 2) Who is Customer Service? 3) Collaboration

**1. Understand your customer:** First, it's essential to know your customers. Do you know what they want in terms of quality and service requirements? Of course, everyone wants "the best quality, more for less, delivered quicker"; however, what does your customer value such that he/she would be willing to pay for it? Those familiar with the Toyota Production System or Lean might have heard this before; however, I consider it uncommon, common sense - find out what your customer wants!

In addition, the most successful executives not only understand their customers' quality and service requirements but they also understand their customers' career and personal goals. People do business with people they know, like and trust. You must start with "know".

**2. Who is Customer Service?** I'd be remiss if I didn't include at least a short paragraph in making this point. EVERYONE at your company is a face to your customers. Don't leave it to Customer Service alone. With social media and the extensive webs of relationships which are common in today's marketplace, you must consider all employees as being the face to the customer.

**3. Collaboration:** In today's business environment, there is nothing more important than thinking "collaborative". Undoubtedly, my most successful clients are collaborating on forecasts, orders, market strategies, new products, etc. Those thinking win-lose negotiating are being left in the dust.

For example, it is common to collaborate with customers on placing orders. These programs have many different names ranging from vendor managed inventory to consumption based ordering to auto replenishment yet they all boil down to the same base process: The supplier figures out what to send to the customer's distribution centers at what time in order to keep the customer at the desired service level and inventory level.

Thus, there is an opportunity for a win-win as the supplier can optimize its inventory and efficiencies while providing exceptional service for the customer. The benefits don't stop there - as the supplier and customer partner together, frequently the business grows to boot. For example, with improved service and product availability, the customer's business increases which stems to the supplier's business as well. Additionally as the partnership strengthens, the customer tends to want to do more business with the supplier who has best supported them, and so the supplier's portion of business increases.

There's no reason why the benefits have to stop with collaborative orders. If you start with a strategy of collaboration, there is no end to the opportunities. Consider collaborative forecasts. If suppliers have a better idea of what is likely to be sold, they will be more successful with service and costs. The best partnerships will share in collaborative benefits, thereby creating substantially more value.

Think about collaborative logistics programs. Where are your distribution centers? What are your lead times? What about your customers? Can you leverage each other's networks to create a win-win? Can you coordinate to optimize pallet footprints, truckloads, packaging etc.? I recently saw one of my first mentors who said I used to say HUGE a lot. I don't remember it, but this seems an appropriate time to honor him...HUGE opportunities exist.

Have you considered collaborative R&D and product development? How about collaboration with your customers and suppliers? This will bring your supply chain closer together.

In every strategy, project, quarterly goal etc., start by thinking of your customer. My most successful clients do not let customers get anything they want; however, they treat customers as true business partners. How important do you consider your customers?

Did you like this article? <u>Continue reading on this topic:</u> <u>The Value of Customer Service</u>

#### The Systems Pragmatist Why are Processes Undervalued?

Processes are often undervalued. I have always been a process consultant yet I found out that I undervalued my value when it came to processes - if it can happen to someone who talks about processes continually, it can certainly happen to anyone. And it does! I find that my clients often overlook the value of processes.

When I was brainstorming my four service lines, I happened to be with a group of high-quality consultants. Two just so happened to be recent executive refugees from top Fortune-rated companies, and they both set me straight. Process review, documentation and improvement is not only important but valued in top organizations. Thus, why continue to overlook my strength; instead, the systems pragmatist service line was born.



This recently came to light again as one of my clients was going down the lean path. They discovered it is hard to improve a process that doesn't exist. Certainly, it seems obvious; however, if it was obvious why do at least 70% of my clients undervalue processes?

Typically I find that my clients don't think they have time to review, document, provide training, continually improve and even radically update processes. Yet they have the time to "do it over again...multiple times". Stop the madness! Start at the beginning with processes - you'll find that success will follow.

Did you like this article? <u>Continue reading on this topic:</u> <u>The Significant Value of Processes</u>

#### Profit through People Walk with Confidence

I've noticed lately that walking and speaking with confidence can go a long way! Did you know that 93% of your impact comes through nonverbal channels? Perhaps it's best to pay attention to some of these elements!

Have you noticed that those people (regardless of their position power) who speak with confidence, walk with confidence and demonstrate confidence through body language get what they pursue? Perhaps it would make good sense to think about what they are doing.... People follow people who believe in what they do. Thus, I thought a few keys to success would be helpful in how to walk with confidence:

 Polish up on your speaking skills - Although it might not seem fair, a mediocre presentation spoken with confidence will be more successful than an exceptional one spoken without



- confidence. Thus, brush up on your speaking skills as you'll likely go in with additional confidence.
  Speak louder Speak so that people can hear you. I am lucky that I had no choice but to speak loudly so folks could hear me as I led countless conference calls when I was a VP of Operations. Double your loudness and no one except you will think you are loud; however, it's likely they'll think you are confident.
- Make "good" assumptions I recently had a client point out to me that I assumed I could help them
  resolve various issues where I had no direct control (such as hiring temps etc.) and she saw that
  as noteworthy. She felt confident pursuing what she knew would be successful because I seemed
  confident I could help her. I didn't think about it until she mentioned it as I just knew it would be a
  compelling story and so assumed I could help "make it happen". The key here is to be smart with
  your assumptions as I've seen folks go down that rabbit hole.
- **Consider your presence** Whether we like it or not, our presence matters. My <u>article</u> last month details a few tips to think about.
- Consider your body language Hire experts to help you. It is not easy to realize what you might be "saying" with your body language unintentionally; however it is likely you are screaming something. Is it what you want?

**Did you like this article?** Continue reading on this topic: <u>Executive Presentations</u>

# Eagle Eye Don't Prioritize!

As much as I talk about priorities, I'm sure you're wondering if I've lost my mind by saying "don't prioritize". Possibly; however, there is a time to throw out priorities!

What do you need to accomplish to support your strategies? How about your key customer needs? I've seen too many clients "reshuffling chairs on the Titanic". Who cares about priorities if you are drowning!



There comes a time for radical thinking. For example, if you have significant levels of past due orders where your current level of staffing will yield only 50% of what you need, prioritizing will end in frustration. So, why does everyone stick with prioritizing? Not only that, I find that we create elaborate systems to help us prioritize yet rarely ever increase our capacity or capabilities. Eventually every order or every customer becomes a priority and so no one is priority. Instead, you'll need to find a way to increase capacity rapidly.

The key question is how you'll know if you are reshuffling chairs on the Titanic. It is surprisingly hard to recognize at times. Take a step back and it will become clear. I find it is valuable to set aside time every day to remind yourself of your strategy and ensure you are aligned with it and working on the "right" items.

Are you reshuffling chairs on the Titanic too?

**Did you like this article?** <u>Continue reading on this topic:</u> How to Cultivate a Culture of How to Cultivate a Culture of Innovation

### Connections

Connections and relationships are the 80/20 of success!

### THIS MONTH'S REQUESTS:

- We have a great lineup at my APICS Inland Empire Chapter's 3rd annual executive panel & networking symposium on May 3rd. <u>Learn more &</u> <u>register</u> early to get your seat.
- My Ontario ProVisors group of trusted advisors is looking for an employment attorney. If you know anyone who fits the bill, please refer them to me.
- One of my colleagues is looking for his next opportunity. He brings together a unique combination of planning, analysis and data (business intelligence). Check out his <u>Linked In profile</u>.

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### **CONNECTION SPOTLIGHT - SUSAN BRUNASSO**

As I said last month, since connections and relationships are VITAL to personal and professional success, I thought I'd start highlighting a person each month from my network who I think can add value. This person could be a client, a trusted advisor, an APICS Board member etc.

This month, I'm featuring a long-term service partner and community leader Susan Brunasso. Susan is the epitome of service. As you know, I believe in the power of service, and Susan popped to mind immediately. Suffice it to say, Susan has gone WAY over and beyond in her service to my business, my APICS group and to me personally. Similar to last month's spotlight (Valerie Ladd), I cannot think of another person who provides a higher level of service with such a positive attitude. I'm constantly impressed by her passion and involvement in not only the local businesses but also community groups, the church and local events. Susan is a photographer, videographer and multi-media transfer guru. She has an uncanny ability to make you feel comfortable in photos and videos to get "your best presence". Susan is a masterful editor and creative genius with light, setting, and how to get the best photo or video. Susan does business and personal images and events. There is no one else I'd call with my most important events! Contact Susan at SGBMGB@aol.com or (909) 261-2716.

**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 <u>contact</u> <u>us</u>.



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