



September 2013 - Issue #91

Welcome from Lisa

The good news about tough months is that improvements are celebrated! My dad had another stroke (apparently CAA strokes can occur anytime) - thank goodness, he has improved to the point where he is in the rehab portion of the hospital again.

Although he's remembered fondly by the nurses and therapists, it isn't one of those places you wish to return to! We hope he'll regain most of his capabilities but it will take time. He does enjoy the chocolate pudding, was recently approved for coffee again and is anxiously awaiting approval for a hamburger. Small wins!

Over Labor Day, we learned that my aunt is also in the hospital (of course a different one to complicate my mom's life!). She is in a lot of pain, and so we are hoping for improvements there.

On the positive side, my Aunt Therese & Uncle Lou celebrated their 50th anniversary. Congratulations! We had a nice lunch and their grandkids and my nephew did their best to stay on top of the whale - see their success to the right.



This month, I've continued to emphasize one of my brands/service lines in the feature article with "Profit through People" No matter how technical the topic, I find that people drive the 80/20 of success. What could be more important?

IN THE NEWS

Please check out my latest speeches, articles & quotes:

- *Research & Markets* picked up my ExecSense webinar "[COO's Guide to Preventing & Catching the 10 Most Common Situations & Incidents of Fraud](#)".
- Published "[Project Management's Top Critical Priorities](#)" in *Project Times*.
- Quoted in *SAC's* "[Are We Encouraging Uncivil Workplaces](#)".
- Was selected to speak at the *APICS Southwest District* on "Executive Engagement" - especially fun when speaking with a friend and colleague.

I'm thrilled I was selected to be a guest lecturer at Norco on "Supply Chain Technology" - we had interesting questions and good discussions on how to leverage technology for business success.

Please remember if you're interested in manufacturing and value-add distribution to listen to my "[Critical Mass for Business](#)" Radio Show on OC Talk Radio.

Don't forget to check out the [APICS International Conference](#) in Orlando Florida. I'll be speaking on branding, and I would love to have you join me. Remember to RSVP with code ORFL-F&F during registration to save \$100!

Enjoy,
Lisa

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

P.S. Please think of me if you should know anyone who would like to elevate business performance & accelerate cash flow. I will take good care of your referrals!

Profit through People
Profit through People

In my experience as a global business consultant and former VP of Operations, I've yet to find a business with lousy people practices and successful long-term business results. Instead, I've found several mediocre businesses with exceptional people who thrive. Undoubtedly, people are your #1 asset.

Even though I typically am called into clients to elevate business performance derived through topics such as supply chain and operations management, collaborative inventory programs (such as Sales & Operations Planning) and ERP selection and project management projects, the 80/20 of my time and success goes back to people. Do you focus on people as if they are your #1 asset?

I've used Profit through People as a core brand since my consulting practice's inception as I valued people and their impact on the bottom line. Recently, I've re-branded and created additional service lines/ brands yet Profit through People remains intact. Similarly, I've noticed that my best clients keep people forefront in their mind.

I've found the following topics to be of utmost importance when it comes to people: 1) Leadership. 2) Culture. 3) Change management. 4) Performance management

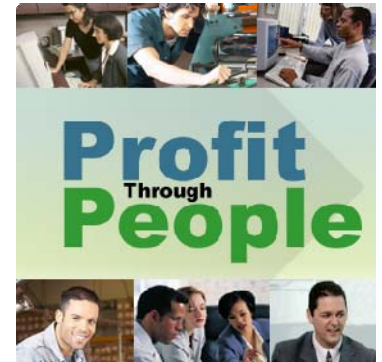
1. Leadership: As my HR mentor used to say, "It begins & ends with leadership." Thus, I had to give this the first position on the list! She was unequivocally correct. In consulting, while you are working on a particular project, you absorb what is going on around you. Thus, you're in the interesting position of observing various approaches and seeing the results. Solid leaders develop strong teams and deliver results. Weak leaders surround themselves with less-capable leaders who struggle and fight fires.

To sum it up, leaders need to think about what they say, what they do, how they're perceived etc. Everyone is watching and will follow suit. Do you value employees who go the extra mile for the customer? Or do you value employees who help to achieve an internal metric while asking the customer to hold? Do you address poor performance or sweep it under the rug? One of my most interesting observations is that employees are energized to perform when they see leaders making tough choices - and sticking to them. If you think it's swept under the rug and forgotten, it's not!

2. Culture: I used to lump culture with people in my mind until I realized that too many companies ran straight into the wall, even with great people, if the executives didn't deliberately consider culture. What set of beliefs governs behavior in your company? Does your culture support what you'd like to achieve?

Changing culture can take time; however, it is important to think it through and deliberately manage it. Most often, I find that employees aren't the roadblock with culture change; it's the leaders. Which metrics are you tracking? Who do you recognize? Do you find exemplars to help instill the culture? Or do you tend to seek out the familiar?

3. Change management: In today's new normal business environment, volatility is the new nom. Thus, change will become more commonplace - sales peaks and valleys are typical, customers lose contracts, suppliers go out of business, natural disasters occur, political turmoil extends the supply chain etc. How do we manage change successfully?



In my experience, people aren't afraid of change. Instead, they are afraid of understanding what the new roads mean and how it will affect them. Will they be able to attain the skills? What happens if they make a mistake? How will they work through problems? Who is on the team? The more you help define the path forward, the better. Additionally, if you've created the right environment and culture to support change, you'll be exponentially more successful.

4. Performance management: I'd be remiss if I didn't mention performance management. It is the most overlooked "people priority" in organizations today. Do you sit down with your folks to set goals? Do you discuss potential roadblocks? Support systems? Do you track progress? Do you provide immediate positive and corrective feedback? How often do you meet with your employees? I find that managers and leaders complain about their people yet say they have no time to sit down for 30 minutes on a weekly basis - how can this be? Certainly not if you see people as your #1 asset?!

Those executives and companies that prioritize people succeed. Profit is NOT the main focus yet profit always follows. It might be counterintuitive; however, I've yet to have a "labor dollar" think up a multi-million dollar idea whereas people often do!

Did you like this article? [Continue reading on this topic: Which Would You Choose? The Million Dollar Idea or People?](#)

Eagle Eye Strategic Focus Strategic Priorities

I thought it might be interesting to brainstorm top strategic priorities commonplace today for manufacturers and distributors.

1. **Speed** - More and more, I'm seeing speed enter the contest as a key strategic priority. How do you set up your organization to be in front of your competition in terms of speed?
2. **Service** - Since the recession and with the widespread use of Amazon, suddenly customers are demanding more for less - and faster than ever before. Yet even that isn't enough if you don't stand out from the crowd in terms of the complete service experience.
3. **Collaboration** - How effectively do you collaborate with your supply chain partners? Those who value collaboration seem to generate more business at better margins than the rest.
4. **Marketing** - One of my consulting colleagues and friends talks about your marketing "sweet spot". I'm seeing a renewed focus on R&D, product development, thinking strategically about market positioning, etc. If you are interested in increasing profitability, it cannot be overlooked.
5. **Technology** - Technology for technology's sake is a waste yet it can also be a competitive advantage. I'm seeing an increase in executives interested in how to leverage technology to improve key business processes and productivity.

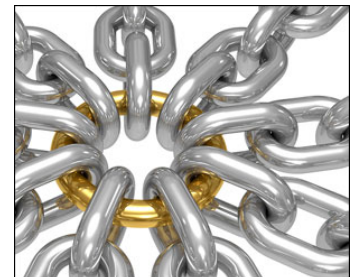


Did you like this article? [Continue reading on this topic: The Hidden Benefit of Observation](#)

The Strongest Link in Your Supply Chain Supply Chain Collaboration

Collaborating with supply chain partners not only develops stronger partnerships but it also can deliver significant bottom line business results.

I've noticed that my strongest clients dedicate time and attention to developing relationships and collaborating with their suppliers, customers, transportation partners, brokers, trusted advisors etc.



There are countless options to think about....

1. **Collaborative ordering** - I've worked with multiple companies to set up processes so that they can determine what to order & when for their key customers (such as Boeing) - this creates a win-win. You are a stronger partner to Boeing and you have the opportunity to optimize inventory, freight and internal efficiencies.
2. **Supplier partnerships** - Instead of win-lose negotiations; successful companies find win-win opportunities. How can both companies increase profit, reduce time etc.?
3. **Warehousing partners** - Look in unusual places for partners to share warehouse space - customers, suppliers, friendly competitors, other key relationships? For example, who does your commercial banker know who might need to share costs?
4. **Transportation partners** - There are an amazing number of options to get from point A to point B. Do you just hire a carrier or ship everything via UPS? Have you thought about using rail in collaboration with local companies? Pooling trucks?
5. **Collaborative R&D** - Are you involving your customers, suppliers, equipment suppliers, transportation providers and others in your product development process? How else will you optimize packaging, customer needs, material options and more into 1 plan?

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

The Systems Pragmatist

The Critical Importance of Design

I find that design is often undervalued. We seem to blindly follow systems and business processes yet don't take the time to think through design. Purchasing and maintaining an ERP system is considered a big-ticket item for most companies. Why would we leave design to chance and not fully leverage our investment?

If you are upgrading or implementing a new system, start thinking about design prior to implementing - you cannot start too soon. My best clients ask for their processes to be reviewed, documented and improved upfront. This way, they are familiar with them and can better sync up their system and process design to deliver results. Even more importantly, those clients typically have a much smoother implementation - less customer disruptions, less cost, less confusion.

If you are not upgrading or implementing, do not despair! Anytime you make a commitment to design, you'll gain a benefit. Start by asking your employees about what is working and not working. Listen to their feedback. Review configuration options of the software. Get familiar with the functionality and business needs. Join user communities. Ask for ideas. Develop plans for design improvement. Significant results can be achieved without significant investment.

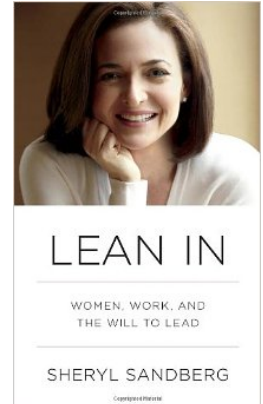
For example, one of my clients wanted to bring inventory levels down to free up cash without affecting service levels. We reviewed the people, process and systems. There were opportunities to re-design aspects of each - within 6 months, the re-configured and re-allocated people, process and system was able to deliver a 30% reduction in inventory.

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



Recommended Reading

[Lean In: Women, Work, and the Will to Lead](#) by Sheryl Sandberg An interesting book on how women can thrive in the workplace. It offers some must-do ideas.



Connections

- My APICS (Association of Operations Management) Inland Empire Chapter is launching a fall executive panel & networking symposium - the topic will be skill shortages in the workplace and we'll have an executive viewpoint and training & education experts on the panel. [Join us.](#)
- My Ontario ProVisors group of trusted advisors is searching for attorneys and HR professionals. If you know anyone who fits the bill, please refer them to [me](#).
- A Temecula manufacturer is looking for a Production Planner. It's a great opportunity for the right person. Please [email me](#) with referrals.
- An executive recruiter and colleague is looking for an Executive VP of Operations & Supply Chain and and Plant Manager for a build-to-order/ mass customization manufacturing company serving the technology industry. If you know of someone to refer, please [email me](#).
- Check out the newly formed supply chain and logistics expert community [Kinaxis](#). I contribute content and there are a number of other noted experts sharing their insights too.
- [OC Talk Radio](#) announces [The Legal Ports Conference](#) will be held in Long Beach on Thursday, September 26. Join the experts from private industry and governmental agencies to learn the latest trends in international trade and the legal issues impacting the flow of goods and services between the US and other countries.



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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