

Use slow times to train staff in flow manufacturing

Business not brisk? Now is the time to train your staff

BY GERARD LEONE

Gerard Leone, a senior partner with the Business Process Consulting Group, argues that economic downturns are a good time to train staff in new systems. His firm trains and consults with manufacturers who are adopting flow and lean manufacturing methods in their factories and offices. Gerard is the co-author of "Fundamentals of Flow Manufacturing." You can reach him at: gleone@bpcgflow.com.

There is very little use in rehashing the numbers we all know and hear every day many times over. North America's manufacturing sector is up and down, but generally in the doldrums, particularly in the United States. If we were to allow all the doomsday rhetoric to get to us, we would probably crawl under our desks and wait until the sun of the 1990s shines again.

By then, it might be too late for some manufacturers. Yet, economic downturns can teach some very valuable lessons to the executive ranks of manufacturing companies worldwide. Lately, a clear dichotomy has developed in the North American manufacturing sector.

On one end of the spectrum, there are the companies that react by cutting everything they can get their hands on. This approach overstresses employees and compromises the firm's competitive position in the long run. On the opposite end, there are the companies, large and small, that invested time and resources during the 1990s to become more responsive and efficient.

This latter group of businesses is weathering this storm from a much stronger competitive position. The strategy of choice for the many of these successful businesses was a company-wide implementation of a variety of lean manufacturing strategies, including the tools of flow processing.

We like to refer to "flow processing" instead of just "lean manufacturing." This is because these same flow approaches can yield the same outstanding results in office administrative processes as they do in manufacturing processes.

Business executives using the tools of flow processing have been credited for outstanding results in manufacturing companies. Some of these benefits include:

- Improved response time to customer orders;
- Decreased inventories;
- Increased resource productivity; and
- Higher levels of quality.

These are similar to the benefits that executives try to achieve with their cost-cutting efforts. But sometimes efforts to become

more cost-effective might hurt the company's long-term competitive position.

Then, the question becomes: what do we do during difficult times? Is cost-cutting the only right answer? Or is it better to get ready for when the economy does turn around? Can we afford to improve our business during slow times?

One of the main concerns business executives have with respect to flow processing is the potential expense of its implementation. Converting your business processes, either manufacturing and / or administrative, into a set of linked and balanced resources using the tools of flow processing does not



need to be a drain on resources or cost an inordinate amount of money. The most successful flow practitioners have taken the approach of doing as much as they can by themselves. These successful companies engage outside consulting help only when specific aspects of the implementation require the trained eye of someone with extensive flow process design experience. External consulting resources can also be the right choice for classroom training on specific tools and techniques.

For manufacturing executives who are lagging behind their competitors in the efficiency race, there is good news. These slow times provide you with an opportunity to get ready for when the economy does fully bounce back.

You already have some key aspects of what you need to succeed — your people. With the proper training and the working knowledge of the business processes they currently operate, your people are the key to the long-term success of your company. All it takes is vision and the right tools. **AM**