

Lisa Anderson's Profit Through People® Newsletter



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Welcome from Lisa

Lisa's Note

Well, life has NOT been business as usual from any stretch of the imagination. We are living in unprecedented times. It can certainly be stressful and scary and so I'd like to provide [resources](#), [webinars](#) and [articles/ items of value](#) to help you navigate successfully. Shortly, we are also launching [Lisa's Future-Proofing Forums](#) so that we can collaborate together to help each other and share resources. Stay tuned. We had no idea when we launched our LMA-i series [future-proofing](#) how relevant that would become!



On a positive note, opportunities emerge from every crisis. This has held true for all crises such as the depression, the great recession, 9/11 and more. NO ONE wants to go through this crisis but there are several positive priorities we can focus on while 'locked down' in addition to successfully [navigating through volatility](#). It certainly is the best time to innovate, collaborate and use our creativity for good.

Prior to the lockdown, I was knee deep in supporting a client's go-live on a new ERP system. I find that these are always frustrating and exhausting but so long as it pays off and we can 'level out' pretty quickly after go-live while setting the infrastructure up for future growth, it is valuable for the company over the long-term and valuable for us to keep us fresh and on top of critical priorities for every manufacturing and supply chain client. With that as background, I did little else other than support clients with a brief jaunt to AZ for my mom's dental surgery (while on webinars most of the day unfortunately). On a positive note, my brother has had a little extra time during the lockdown, and he has set up my mom with Echo Show and gave me access to "drop in" so we can see each other every day.

Since our last edition was also a special edition for our [2020 prediction document](#), there is quite a few "In the News" items to highlight below. With that said, I'm most excited about a few [coronavirus-related interviews](#), my [Oracle article](#), my [SAP podcast](#) and being formally appointed by the U.S. Secretary of Commerce to the [California Inland Empire District Export Council \(CIEDEC\)](#).

IN THE NEWS

Check out my latest speeches, articles & quotes:

- Featured in articles & interviews on the supply chain impacts of coronavirus including an [LMA video](#), [The Signal](#), and [Rip City](#). Stay tuned for more [here](#).
- Quoted about manufacturing and supply chain in 2020 in [Fabricating & Metalworking Magazine](#), [Supply Chain Dive](#),

[Business Insights](#), and [Yahoo News](#).

- Featured in an article, "[Supply Chain Strategy: Modernization Tips from Lisa Anderson](#)"
- Quoted or featured in several publications including [TechTarget](#), [Business Insights](#), [Provisors Accelerator](#), and [SAC](#).
- Published an article in [Oracle](#) on "[Supply Chain Heroes: How CFOs can Help Save the World](#)".
- Interviewed in a podcast for [SAP](#) on "[The Foundation of the Digital Evolution](#)".
- Appointed to the [California Inland Empire District Export Council \(CIEDEC\)](#)

Please let me know if there is anything I can do to help you during these turbulent times, and/or perhaps we can collaborate together for the greater good.

Here's to a better April!

Lisa

[Email](#)

[LMA Consulting Group, Inc.](#)

P.S. Know anyone who is interested in achieving scalable, profitable growth? Refer them to [us](#).

Eagle Eye

Coronavirus & Economic Impacts

After concern about health and safety is worry about the economy and our livelihood. Thus, we thought we'd address this topic with the latest information by the experts....and a few of our thoughts thrown in for good measure.

According to the economic update by the [Inland Empire Economic Partnership](#), "[When Will We See the Light at the End of the Tunnel?](#)", we are headed into a recession (not surprisingly), but all hope is not lost! In essence, the report talks about two scenarios.

1. **Optimistic scenario:** It assumes a decline in infections by early April with the virus under control by June, passing of the stimulus package, existing medications adopted to treat the serious effects and a vaccine ready within a year. In this case, we'll go into a recession but the economy will start turning up in the 4th quarter or at least by the first quarter of 2021. It will be a V shaped downturn.
2. **Pessimistic scenario:** In essence, the assumptions above do not come true, and the vaccine takes 18 months to develop. Certainly, the outlook isn't as rosy with this scenario, and there won't be a recovery in 2020.

We all hope the optimistic scenario is the likely outcome. As the report states, the Wall Street Journal surveyed 34 professional economists and categorized them into "pessimistic", "baseline" and "optimistic", and the IEEP "optimistic" outcome is more in line with the Wall Street Journal "pessimistic" outcome, and so this signals hope.

As it relates to businesses, non-critical businesses are certainly going to struggle until the coronavirus is under control. In several states, these non-critical businesses are shutdown. In some cases, employees have been let go; others furloughed; some are working remotely if feasible and some are finding creative ways to keep the business running or are changing directions as best as possible. Clearly unemployment claims are surging.

With that said, more opportunities are born during recessions than any other times so keep your eyes open. For example, perhaps you can tweak your products so that you can supply some critical products during this period. Or, perhaps you can develop a new product that can launch as soon as businesses are re-opened. Or have you thought about a new service that



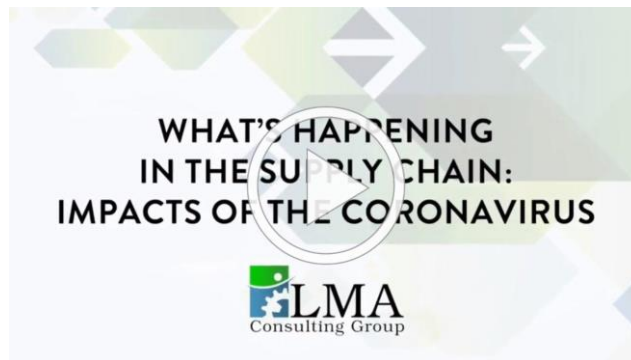
could make you stand out from the crowd as businesses start to ramp up? Or how about stealing top talent? I just love the story of a CEO of one of my clients. He hired a talented engineer during the Great Recession when he was let go and no one else was hiring, and that resource helped him excel to first in his market following the recession.

For those businesses considered [critical](#), the picture is a bit brighter. For example, I am working with a food bar manufacturer, and people are stockpiling food bars. Thus, volume has spiked for food bars sold through grocery stores and Costco. In their case, it has trailed off for weight management bars and so they have a mixed bag. Certainly, toilet paper manufacturers cannot keep store shelves stocked! Medical products are also in high demand.

The \$2 trillion dollar stimulus package was signed into law. There is assistance for individuals, businesses and workers. We are continuing to post resources to explain the benefits. I thought [this article](#) did a good job in describing the stimulus benefits (thanks CLA), and there is loan availability and [forgiveness](#) included as well. Stay tuned for updates on our [coronavirus resources webpage](#).

Stay tuned with our [coronavirus resources webpage](#). We will continue to add the latest economic forecasts, stock market analyses and more. However, instead of fretting about the future, take a step back (after all, you are probably in lockdown) and think about how you should reposition your business for the future. It is an opportune time to rethink strategy. If you'd like help to discuss further, please [contact us](#).

[Did you like this article? Continue reading on this topic: Supply Chain Heroes: How CFOs Can Help Save the World](#)



The Strongest Link in Your Supply Chain JIT Might Not Be What it is Cracked Up to Be?!

Just-in-time might not be what it is cracked up to be! Certainly, the coronavirus impacts should give us reason to question this rule at face value. Are you running so tight that you only have one bin, pallet or small supermarket to keep your facility running? If so, the question extends to your end-to-end supply chain.

Let's assume you are a critical manufacturer struggling to produce key items during this coronavirus pandemic. Your suppliers should not be on lockdown since they support a critical infrastructure business; however, that doesn't mean you'll be fine. There are many considerations to review:



1. **Source of supply:** Are your suppliers located in Asia and unable to staff during the peak of the coronavirus? Do you know what type of delays you'll experience? Do your suppliers have contingency plans?
2. **Your suppliers' suppliers:** Even if you have a good handle on your suppliers, do you know the status of your suppliers' suppliers? In an interconnected supply chain, we are only as strong as our weakest link. Who is your weakest link?
3. **Your transportation infrastructure:** Even if your suppliers have product, can it get to you? Within what timeframe?
4. **Backups:** No matter how well you've planned, the question is whether you have backups for critical materials/ ingredients that will ramp up rapidly as needed. Hopefully your supply chain is diversified geographically.
5. **Your customers:** Are you in lockstep with your customers so that you are proactively managing demand or are peaks and valleys a surprise? Of course, the coronavirus was unexpected but the degree you fully understand your customers will determine your reaction time to changes in demand.
6. **Positioning of inventory:** Do you have critical inventory positioned throughout your end-to-end supply chain?
7. **Your digital supply chain:** Are you able to see into your extended supply chain? It could provide quite a benefit at this point.
8. **Additive manufacturing & robotics:** Are you able to keep running with less people, socially distanced people and/or print on demand?

Using JIT (or any concept for that matter) without taking a 360 degree view is a bad idea! The cousin of JIT is lean manufacturing. I gained the attention of Wiley by writing that [lean is just uncommon common sense](#) (which of course simplifies it in order to make a point), but perhaps it is something to think more about. Have you put all these trendy concepts through a common sense filter? How about a risk filter? Let's hope so! Otherwise you can be in a critical business and still not producing and running customers out of stock.

What is the answer? It depends! If you have put thought into your supply chain strategy upfront, considered risks, diversified your supplier base, invested in quality checks and top talent, and treated your employees well, it is likely your version of JIT will prove successful. On the other hand, if you saw JIT as a way to reduce inventory and were short-sighted in looking at your end-to-end supply chain and treating your employees and partners as trusted colleagues, you will likely suffer.

Getting ahead of the curve might be the only avenue to success. Consider creating a [resilient supply chain](#) and [future-proofing](#) your supply chain. Stay tuned and read more about it, and If you are interested in discussing a supply chain assessment, please [contact us](#).

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

[Future-Proofing Your Supply Chain](#)

Introducing Lisa Anderson's Future-Proofing Forums

Because we are in unprecedented times with the coronavirus, it prompted me to move forward with Lisa Anderson's Future Proofing Forums. There will be a board for my newsletter subscribers to connect and interact as well as a board on the forum for clients only and another exclusively for our Harvey Mudd Executive Roundtable group. You'll see these launch shortly [here](#).

[Check out our new video & articles series](#)



The Systems Pragmatist

Should We Prioritize or Deprioritize Innovation & Technology During the Coronavirus

What is the first thing that happens when a client is shutdown due to the coronavirus? Cut all unnecessary spending. Certainly, I agree with this approach in most situations. If you cannot pay for your employees, you shouldn't pay for unnecessary expenses! However, if the situation isn't dire, it might just be an opportunity to refocus on innovation and technology.



There are well-regarded statistics about the Depression and the Great Recession that those companies that invested while everyone else cut back were significantly more successful following the recession. Of course, it depends on whether you are investing in what will be needed as the lockdown ends or if you just continue with your prior plans because they were well-thought out previously. All bets are off! You must re-review your strategies, business plans and associated investments with the 'new world' in mind. Ask your executive team and key partners questions:

1. What will have changed as we emerge from lockdown?
2. What opportunities will it present for your customers?
3. What new roadblocks will exist for your customers?
4. Is there an opportunity for new customers?
5. Do you have an opportunity to expand to new markets?
6. What products and services will be needed?
7. Can you get ahead of the competition so you'll be out of the gate at 200 mph instead of crawling at a turtle's pace?
8. Will you need to re-tool?
9. What skills will you need?
10. What technology will you need?

Challenging times can create opportunity with innovation and creativity. Innovation will fast-track growth and profits. When has there been a better time to innovate? Although we started our [innovation series](#) a while back and have always been involved with encouraging innovation (such as the [Manufacturers Innovation Awards](#)), we are going to start adding content to encourage clients to focus on innovation since we think this is a critical time to ramp up your focus on innovation.

Innovation doesn't have to involve technology as it could simply involve repurposing, repackaging, or repositioning. In fact, there is very little that is truly 'new'. How often does a client invent something new like the sticky note? Certainly we hope a new vaccine will be developed rapidly, but many industries will simply come up with new ways of doing things and that type of innovation will fast-track growth and profits. The only precursor is whether you have an innovative culture. Now that is something we can control, and it doesn't have to require capital or cash.

Why not put your top talent on an innovation project while under lockdown/ social distancing? There is plenty that can be accomplished via Zoom, and you might just be thrilled with the results. From all accounts, it appears as though the recession will be short-lived and in a V shape with a rapid recovery. Will you be ready to take advantage of the opportunities?

[Did you like this article? Continue reading on this topic:](#)
[Manufacturing Summit Recap: Innovation & Top Talent](#)

Profit through People Your People During the Coronavirus Pandemic

During the coronavirus pandemic, your people should be top priority. As we always start with safety, this situation should be no different. Figure out how to [prepare your workplace](#). Revise policies, meetings, and critical work so that you can follow social distancing requirements and keep your employees as safe as possible. Be proactive, and know how to deal with whatever situations arise. This is where [top notch trusted advisors](#) will prove valuable and supplement your leadership team and HR resources.



Beyond safety, think about how you can lessen the negative impacts your employees are suffering. Can you be more flexible in scheduling hours or staggering shifts so that you can accommodate for children at home and other complications? Can you provide resources to help employees deal with stress and other issues?

If you are not considered a critical business, how can you navigate for the best for your employees and your future? There are several options: lay off your employees, furlough your employees, keep your employees and reorient them to innovation and virtual work, and more. Unfortunately, none of the options are easy; however, how you handle this situation (and what you do while the shutdown is underway) will have a significant impact on your future business.

Beyond your employees, how are you handling your supply chain partners, trusted advisors and other partners? Are you proactively communicating? Just as we've never seen a business with unhappy employees and happy customers, we also haven't seen a business with a disgruntled supply chain with happy customers. Have confidence that people will rise to the occasion, and proactively communicate and coordinate. There has never been a better time to stand out from the crowd as a go-forward partner as there is now. Remain calm and lead the way to future growth and success.

We will continue to post [resources](#) to help clients and colleagues navigate the HR and organizational development challenges associated with this unprecedented situation. We are also participating in local, state, national and global sessions to be able to bring information, ideas and best practices to you. Please feel free to

contact us with requests for information, resources and advice to move forward during these challenging times.

If you are a consultant, coach or entrepreneur, our [Society for the Advancement of Consulting](#) organization is hosting a "[Thriving Through Ambiguity](#)" webinar series which is included in [membership](#), and we are offering a discounted price for new members during this crisis (use code THRIVE-NOW). We have an exceptional speaker lineup to help you thrive through ambiguity.

If you are in manufacturing and supply chain and want to learn more about how to successfully navigate these turbulent times, check out our [coronavirus blog articles, videos and podcasts](#). Additionally, LMA Consulting is sponsoring a webinar series, "[Navigating Through Volatility](#)" for the Association for Supply Chain Management ([ASCM/ APICS](#)) [Inland Empire Chapter](#). We are offering this as free to our members, symposium panelists, sponsors, and business partners. Learn more and register [here](#). We have an outstanding speaker lineup to help you navigate through volatility for both your organization and your personal career.

Please send feedback, ideas and resources that we can share with our newsletter subscribers. We will not win this battle alone; however, we can win together!

[Did you like this article? Continue reading on this topic:
Coronavirus: Resources for Businesses & Individuals](#)

Connections

THIS MONTH'S REQUESTS:

- Do you know a manufacturing or supply chain executive, professional or student interested in learning how to navigate the volatility surrounding the coronavirus pandemic? If so, please refer them to our [Navigating Through Volatility webinar series](#) sponsored by LMA.
- Do you know a consultant interested in thriving through ambiguity during the coronavirus pandemic? Please refer them to the [Society for the Advancement of Consulting](#). We have a [Thriving through Ambiguity webinar series](#) kicking off now which is free to members.
- Do you know a manufacturing or export executive in the Inland Empire or Southern CA area who would be interested in participating and advising on a strategic initiative for manufacturers and exporters, backed by the [Brookings study](#) and the [Inland Empire Economic Partnership](#)? Refer them to [Annalisa](#) of the IEEP.
- Do you know a top notch IP, family law or litigation attorney in the Inland Empire or surrounding area? My [ProVisors](#) group has an opening for these professions, and we have lots of referrals for these professions on a regular basis. Please introduce [me](#).

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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