



PHOENIX, Rising From COVID-19 ASHES

By Doug Carlberg, President & CEO, M2 Global Inc.

We are living in a crazy time. Many organizations are likely to cease to exist. In some instances, this is due to their particular line of business and the COVID-19 pandemic, but other organizations will cease to exist due to choices made by the leadership team.

It is definitely a challenging period. As businesses begin to reopen and revive what are some actions and choices that might increase your chances of success?

- 1) Get the basics right
 - a) Social distancing will be a factor moving forward. Even after a vaccine is discovered it will not eliminate the problem. Most flu vaccines are only good for one year and there are constantly evolving flu varieties. One can expect something similar from the coronavirus family.
 - b) What will your standard work protocols be moving forward? Standard work is the best way we know to do an activity. It can range from project management to repetitive tasks like assembly work or call center activities. Engage your employees in defining your new protocols. Realize there will be a period of experimentation.
 - c) What will your protocols be when someone comes down with the virus? How do you investigate prior contact interaction with infected individual? How will you ready your workplace for resumption of work activities?
 - d) Timings throughout the workday, will need to be examined. Will you need to spread the work over multiple shifts in order to have safe spacing of employees? Consider your physical location for other non-task elements of the workday. For example, do you need to split breaks and lunches to reduce congestion in cafeterias and break areas? Can you reduce the number of chairs in these areas to naturally encourage social distancing?
 - e) What are your most important decisions? List decisions that need to be made and determine your key priorities where effective execution is very important.
 - f) Carefully consider your communications strategy so that you can effectively reach everyone in your office from the front office to the shop floor. What methods can you use to ensure everyone gets the same message and is reminded about good practices to avoid infectious diseases. Use multiple methods to ensure the most effective dissemination of your messages: daily huddles, emails, town halls, newsletters and posters, for example. Consider your workforce's languages as well. Do you need to translate information, or can you use iconography, pictures, charts, and numbers to reach workers who speak different languages?
- 2) Now is a good time to look at your traditional improvement practices – the way the organization goes about the business of improvement. The magnitude of improvement in most organizations is much bigger than people realize. What do you need to do to increase throughput and or productivity by 50% or more? What are the obstacles that inhibit accomplishing that level of performance improvement?

Consider using something like AME's Lean Sensei™ to assess your current level of improvement maturity. These levels of improvement are indeed possible. You first need to believe you can, then trust the lessons and outcomes many other companies have also had using the Lean Sensei as their guide and their barometer. Improvement is not just an operational issue. It includes the way you sell your product, the way new products are developed, the improvement impact when you adopt new technologies, and the way support departments interface with the value adding segments of your organization. All too often leaders assume they are doing the right thing. Include in your improvement assessment a look at the way leaders lead.

- 3) Traditional business practices are going to be challenged. Organizations are increasingly using digital technologies for communication, and they are learning that much work can be effectively completed offsite. Many manufacturing companies that were deemed essential have learned that their hourly workforce can get their work done with considerably less supervision. What can be done moving forward to change the way you manage people? How do you more permanently embrace many of the best practices discovered during recent work from home mandates?
- 4) It's highly likely that whatever you were selling prior to the pandemic is going to ramp up slowly, unless you were one of the handful of businesses that experienced the opposite problem where they needed to immediately handle significantly higher levels of business transactions. So what are your plans for moving forward? What are the core products or services you provide? How can you stop doing activities that do not add real value to your business? This isn't just a simple financial analysis. You need to look at your value proposition to your key customers. What do you need to keep doing? What can you stop doing? What should you start doing? Take advantage of this unique opportunity to revisit your business activities.
- 5) There is likely to be an innovation explosion over the next two years. There is already an abundance of companies using 3D printing to create and market new products. OC Tanner in Utah designed and is marketing aerators for health care workers' masks. A company in the San Francisco area redesigned swabs for use in hospital coronavirus testing. These are some of the super early wave of innovative practices. Take a look at needs in the marketplace. Many companies are going to change their supply chains.

What opportunities exist for new markets and new customers? So many organizations are making their own equipment to create new products – something that was a common practice many years ago and a capability lost in many Western businesses. The whole idea of experimentation – to try new things as we figure out what we need to do to survive – is going to change the mental models and make more leaders receptive to trying new things. Make your organization into an environment that is open and receptive to trying something new.

Really think through your supply chain strategy. Focus heavily on tracking and guiding recovery of your current state supply base. It will be a rocky recovery for many of them and potentially disruptive to the flow of customer value in your operations. This global pandemic has exposed serious risk areas related to widely dispersed supply chains, supplier partners where one is a single or sole source, supplier partners where you are a small part of their buy and not preferred, supplier partners concentrated in one geographic area subject to major disruption with any kind of crisis there, supply chains concentrated in areas where governments can have a propensity to interfere and politically regulate, distant supply chains with long cycle bloated inventories in goods in transit, and long and expensive freight recovery replenishment from supply constraint periods.

- 6) Hire new talent. There is an abundance of talent that was not available two months ago that are now available for hire. What companies in your area have laid off people? Contact them to find out who they really did not want to let go. So many new start-ups will have gone out of business. Contact the business incubators in your geographic area. Which of their entrepreneurs went out of business? Hire some of these people and perhaps pick up some of their innovative ideas.
- 7) The digital revolution has arrived. In the past changes were sometimes resisted by employees and sometimes leaders were hesitant to adopt them. How can new technologies accelerate your improvement endeavors? Don't just buy a technology. Have a business use for it.
- 8) The good news – if there is any in this pandemic – is that in most cases your competitors are being affected in the same ways you are. Use this recovery period as an advantage to find their Achilles heel, attack them, and leapfrog them.

In a "Tale of Two Cities," Charles Dickens wrote, "It was the best of times; it was the worst of times." That statement applies to our world today. This is a challenging environment. But it is also rife with new opportunities for organizations savvy enough to seize the day.

How did I come up with article? Group Think. Over the past six weeks M2 Global has been fully operational being identified by the Department of Defense to be part of the essential critical infrastructure workforce. As a result, this article was formed by navigating through this crisis and attending peer group meeting conducted by The Association for Manufacturing Excellence and the San Antonio Manufacturing Association.

Please stay safe, but don't go into hiding. Take advantage of this opportunity to restart your organization. You don't need a new greenfield site. You can do your own new greenfield right where you are operating today.