Turn Problems Into Profits

Real world tools to engage employees and find & implement solutions to problems and opportunities.

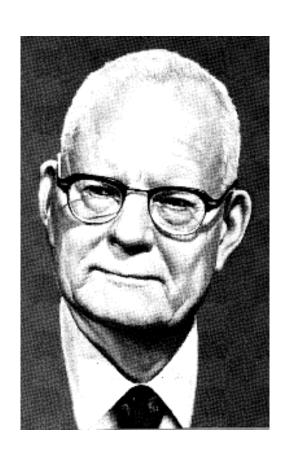
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impossible!



Dr. Deming





Engagement and Empowerment Works

Industry Week: 80% of the world-class companies have at least 50% of its workforce participating in self-directed or empowered teams

U.S. Labor Department: finds that empowered employees have much better chances to produce higher profits for their organizations than non-empowered ones

Towers Perrin: study found that high engagement firms had an <u>EPS</u> growth rate of 200-300% higher than low engagement companies.

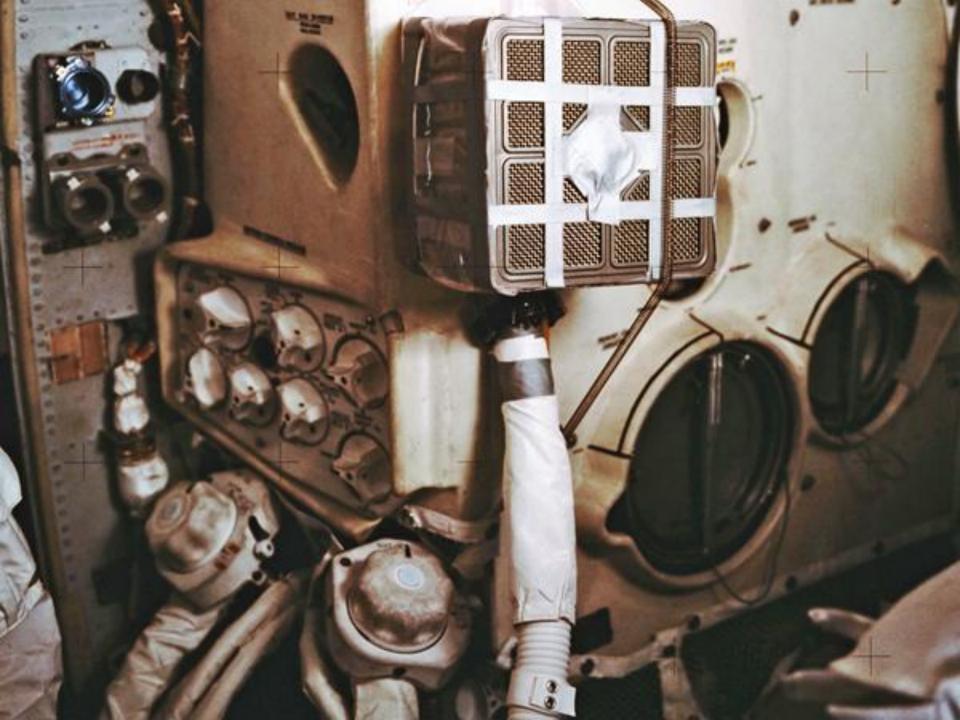
Gallup: Top decile companies have 3.9 times the Earnings Per Share (EPS) growth rate

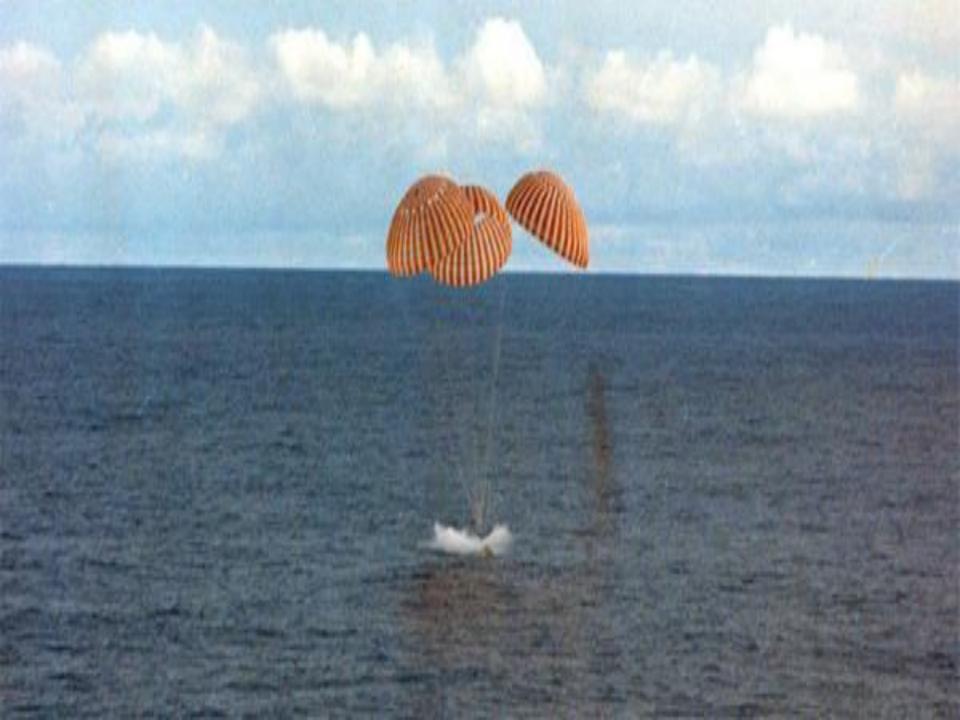










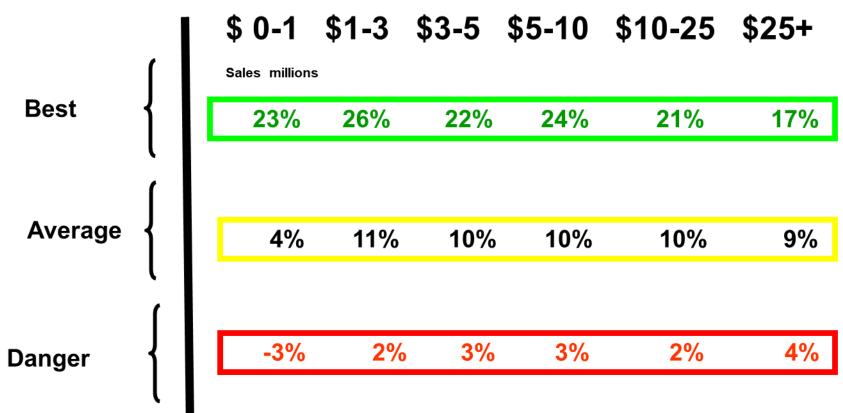


What you are going to discover?

- > Employees engaged through teams
- that will find & implement solutions to problems & opportunities
- > Accelerate profitability
- Good to Great



See Your Goal - NAICS: furniture stores (not household)



Step #1 - It all starts with your people!!



Top 10 Challenges

- 1- Declining or flat sales
- 2- Lack of profitability
- 3- Quality issues, scrap, waste, rework
- 4- Lack of written procedures
- 5- Poor employee attitude
- 6- Inventory control problems
- 7- Costing / pricing
- 8- On-time/on-budget issues
- 9- Tight cash flow
- 10- Communication breakdowns

Q: What's Your Top Challenge?



Discovery Team - Problem Identification / Ideation



Q: What can be improved?





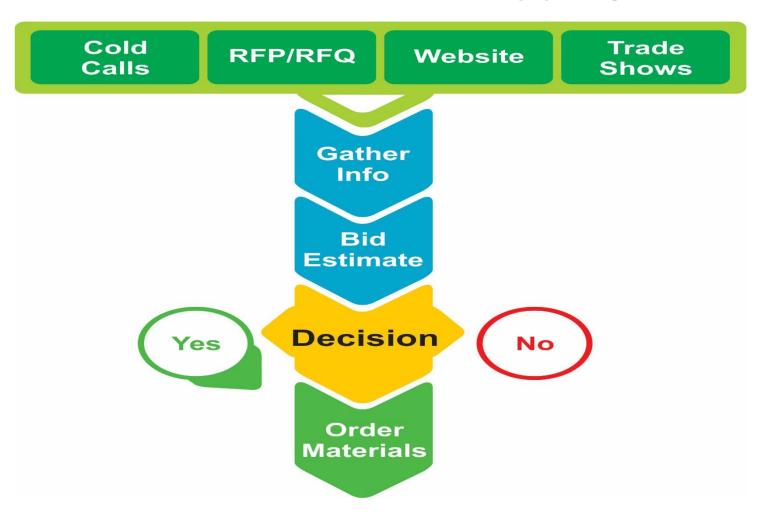


Business Process Mapping





Business Process Mapping



Discovery Teams Spark Engagement



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The 7-M Analysis

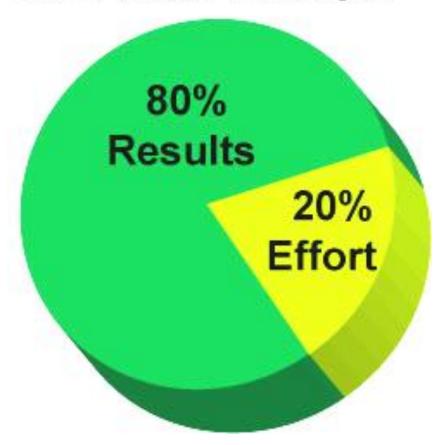
Organizing Opportunities Into 7 Areas

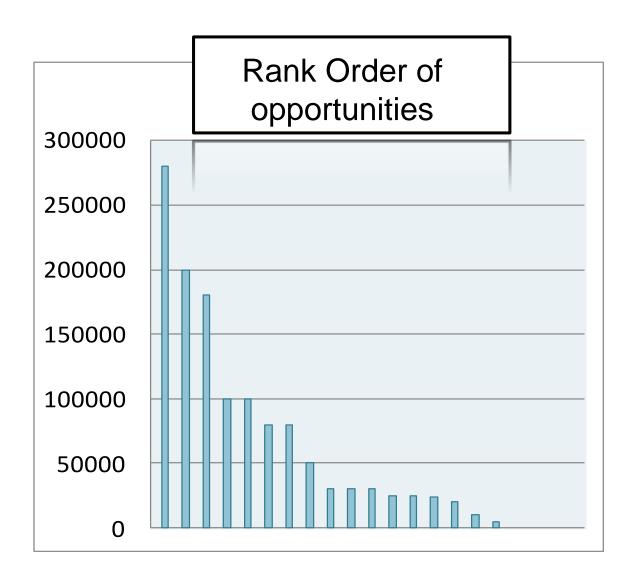
<u>Manpower</u>	Machinery	Methods	<u>Material</u>	Money	Management	Marketing	
Company Culture Staffing Levels	Floor Layout Equip Usage	Company Processes Flow of: Paper,	Inventory Parts	Proper Budgets Timely	Org Structure Clear Position Definitions	Sales Functions Price Strategy	
Training Needs	Maint. Programs	People, Product, Dollars	Scrap Waste	Reports Proper	Scheduling	Promotion	
Motivation / Rewards	Reliability Bottlenecks	Operation Reporting	Quality	Controls Adequate Capital	Commun- ication Proper	Branding Accurate	
	Dottieffecks				Meetings	Orders	



The Pareto Principle













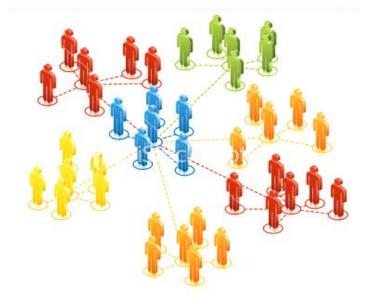
\$100,000 Opportunity





> What solves problems faster?

Teams? Or



Individuals?







Week 1: Create the team

- > Project: Create Great Customer Experience
- ➢ Goal: Increase sales 50% in 12 months
- > Team: 2-kitchen, 1-front of house, 1-manager
- > Why?



Week 2: Find Root Causes

- Inconsistent food quality
- Better customer service
- Stock-outs inventory management
- Cleanliness standards



Week 3: Implement Solutions

	Problem	<u>Solutions</u>				
>	Food quality	Standardize recipes				
>	Better service	Share best practices				
>	Stock outs	Utilize the POS				
>	Cleanliness	Set standards/checklists				



Results

- > 25% increased revenue in first 30 days
- More referrals / return patronage
- Positive Yelp reviews
- > Responsiveness to add-on sales
- Engaged staff more pride
- Happier customers



Team Benefits

- Rapid High Quality Solutions
- ➤ Buy-In From Employees
- ➤ Improved Accountability
- ➤ Improved Attitude



Teams Ignite Engagement







Team 1
Paperwork

Team 2 Quality

Team 3 Inventory

Team 4
Service

People + Engagement =





Q: What do these two things have in common?





A: Standard Operating Procedures

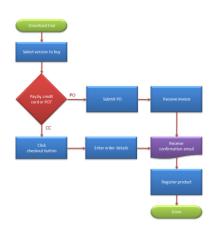


Standard Operating Procedures

5S EVERY DAY

Keep work areas clean and orderly









 Open the mouth of the case after turning the camera off.



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② Put the camera into the case, connecting the DICAPAC lens retarder to the lens



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Zip the case and press and fold along the folded line.



® Remove the water and then take the camera out while keeping the mouth part in a downward position.



⑤ Disassemble the lens from the lens adapter and turn it on after reassembling it.



Velcro it together.





Create Better Reporting

- Historical Reporting
- Do Bankers Like Good Reporting?
- Real-time measurements:
 - > Financial
 - Operational
 - Accountability





Discussion: Profit Improvement

- Example #1: A company generating \$3 million in revenue delivers a 10% bottom line (\$300,000)
- Goal: Increase the bottom line by \$100,000
- Question: What are the options?





Discussion: Profit Improvement

Option #1

> **Action:** Grow sales by 33% (\$1,000,000)

> Result: Delivers a bottom line of \$100,000 (10%)

Questions?

> Is this easy to do?



Discussion: Profit Improvement

Option #2

- > Action: Address internal problems / opportunities worth 3% of sales
- > **Result:** Delivers a bottom line of \$100,000 (3% X \$3M = \$100,000)

Question?

> Which is the faster?



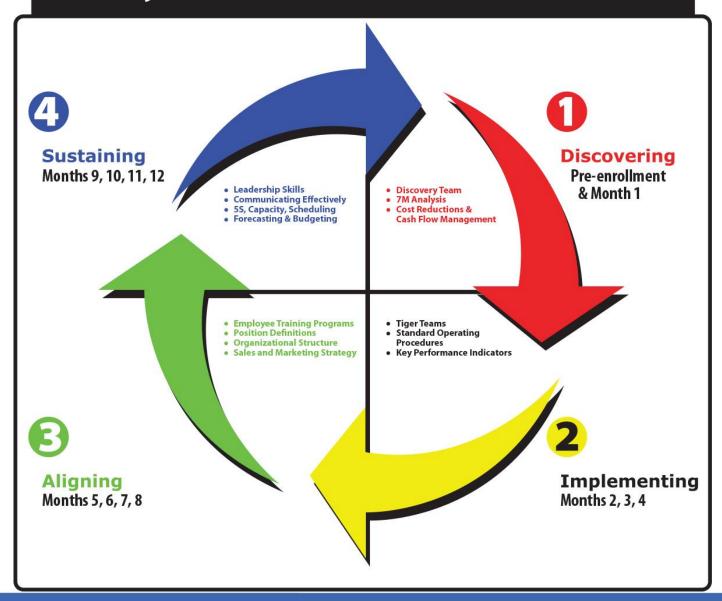
Sales Growth

- > How internal improvements grows sales:
 - > Better customer experience
 - Higher quality
 - Documented procedures
 - > Less customer complains, rework, waste
 - More customer loyalty





The Cycle of Success: Tools for Business Success





Outstanding Results

- Results:
- Increased revenue and profits
- New products / services
- Referrals & Reviews
 - > E.g. 5 stars on yelp
- Engaged workforce
- Enhanced business valuation
- Less stress operating the business













Conclusion:



What do you think, what did you discover?

Supporting Strategies Scholarship

- Discovery Sessions
- Goal: Find 100 Ideas Worth \$1,000,000
 - (1 hour per week, 4 weeks)
 - Time and Timing



Contact Information

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