

Perfecting the Basics

By Mike Stickler

A few months ago, I was sitting in a strategic planning meeting, when one of the directors proposed a very interesting idea; she suggested that the focus of the business should be on doing the basics very well. This was followed by a long period of stunned silence.

She had an extremely valid point, for several years this company had “experimented” with every new management fad that came down the pipe: MBO, MRP, MRPII, TOC, TQM, ERP, Re-engineering, JIT/Lean, and Six Sigma. They had spent several million dollars with little or no return, and they were getting ready to do it again. The key here is that they were “experimenting”.

Not surprisingly, they have not been successful at any of these and they never will be! These kinds of companies always seem to be looking for someone to blame when they fail, yet again! They always want to point the finger at anyone but themselves.

The reason? Simple...they do not have the discipline, to even do the basics! There has been no ownership or accountability for performance or results. Our experience has been that the companies that fail at the basics will fail at the advanced stuff every time.

Think for a minute, how ridiculous can you be, expecting to utilize advanced business improvement techniques when you can't even do the basics!

The basics are fundamental; remember the line from the movie Bull Durham, “this is an easy game...you throw the ball, you catch the ball you hit the ball”...the fundamentals...the basics. There is also a great line about the team being a bunch of lollygaggers...

I digress; the point is that if your fundamentals aren't sound, it is practically impossible to effectively implement advanced techniques. That's why every spring the major leagues have spring training...to correct defects and reinforce the fundamentals, to get back to the basics.

How about a fundamentals check up for your business?

Answer these ten questions, 10 points each, yes or no!

-A yes answer can be qualified and substantiated with documentation.

-A no answer is, no we don't do that or have that.

These questions represent doing the basics...

1. Mission, Vision and Value Statements are understood and used as a guide by everyone in your business?
2. A Strategic Plan exists and is being acted on, with performance to the plan being tracked weekly, monthly and quarterly?
3. Your Performance Measurements track operational performance on an hourly, daily, weekly monthly basis?
4. Your information data-bases (customer, engineering, materials, inventory, and supplier) are accurate, and you measure their accuracy?
5. You have business, sales and operating plans in total and by product line, and in dollars and units, also are they updated at least weekly/monthly?
6. You do not have, month end and/or quarter end pushes in sales (bookings), production, or shipment (revenue)?
7. ALL of your business processes are defined, documented, and updated regularly, and you have an audit process to insure compliance.
8. You identify and document problems as they occur, where they occur?
9. The people in your business are rewarded based on overall business results (not departmental or personal performance)?
10. You mandate that, your people allocate at least one hour each day to solving problems? Do you track the number of problems solved and the return on the investment?

Ok, now add up your score, 10 points for each yes, 0 points for each no, (there is no almost, kind of, sort of...) it's either yes or no!

Any score under 70 points...your focus should be on the fundamentals (attempting to do anything more than that, is what we would call a reload...that is ...you shoot yourself in your right foot and then reload and do it again, this time to your left foot).

A score of 80 points...you're well on your way, clean up the areas that need it and move forward.

A score of 90 – 100 points...you're ready and well prepared for advanced techniques, and quite frankly you are well positioned for success...because you have a great set of basic disciplines.

A final thought...over the years we have had an opportunity to work with and visit some of the highest performing companies in the world. Probably the single most outstanding attribute that they all share is that they have the discipline to insure that the basics, the fundamentals are always in place and working right every day!

A final, final thought, as I write this observation the Masters Golf Tournament is about to begin in Augusta, Georgia. I can think of no better example to illustrate my point. The gentlemen that play this game at this level of competition got there one way and one way only...they have mastered the basics, the fundamentals, at such a level that they are world class. They are the very best at what they do.