

Cut your training costs without cutting out training

by Jill Kennedy

Educating and training your workforce can be a big investment, so is it really worthwhile? The truth is that, over the long term, failing to maintain the skills of your workforce can cost you a lot more in lost productivity and reduced effectiveness.

To keep your workforce up-to-date and energized, you must devote time and money to the training process. Unfortunately, education and training are among the first items to be cut when budget becomes a concern. This is in spite of the fact that study after study shows that companies that invest in training come out ahead in the long run.

This is the conundrum that many business owners face. Do you try to find the money for education and training when you really can't afford it? Or, do you do without and put your workers at a disadvantage? The solution might be easier than it appears. There are, in fact, many programs designed

to fund workforce education and training, but many businesses simply aren't aware of them.

Under the Workforce Investment Act (WIA), the U.S. Department of Labor allocates money to state labor departments who, in turn, make it available to local businesses. For example, the five Workforce boards in Connecticut are set up regionally and are responsible for the cities and towns within their regions. The Regional Workforce Boards can contribute up to fifty percent of the cost of training a businesses workers. California has set up 49 of these Workforce Investment Areas.

In addition to the WIA, there are other federal and state funding opportunities that focus on specific types of manufacturing. This might include the aerospace industry or manufacturers that are affected by import competition. The "Trade Adjustment Assistance" programs and the "Aerospace Defense Initiative" are just two examples of programs that help companies get the money they need to initiate programs like Lean Manufacturing, Product Development, and system conversion and enhancements.

At The Sixth Floor Consulting Group, we believe cooperation creates a competitive edge. We have the skill and experience to act as your business coach to help you find funding programs to suit your education and training needs. Please contact us if we can help in any way. ■



ERP: "Everyone's Ruining my Planning"

by Tom Dzialo

It has been ten years since the Y2K scare forced companies to make a decision regarding Enterprise Resource Planning (ERP) systems. Companies either scrambled to upgrade to new Y2K compliant systems, or they tested and fixed their legacy systems as needed.

Several recent studies suggest that, almost a decade later, companies still are not fully utilizing ERP, in spite of the fact that it is probably their single largest information technology investment. Sales lead times, inventory levels, and financial closes haven't changed significantly, and planners still find themselves "fire fighting." Expediting continues to be too prevalent.

Data inputs are critical to the care and feeding of information systems. The old saying 'garbage in, garbage out' is still true today. Good results (outputs) will be difficult to attain and sustain without clear ownership of the inputs.

The dot-com bomb following the go-go 90's didn't help matters. The economic slowdown that followed the early part of the current decade only added more pressure. Lean Manufacturing and Six Sigma programs came to the forefront, leading to the Lean vs. MRP battles that continue to rage today.

Tools are tools, and most workers need more than one in their

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toolbox. Lean allows companies to simplify and eliminate waste. Six Sigma can help deliver very consistent, repeatable processes. Today's ERP systems can store huge amounts of data and perform calculations at blistering speeds. Each tool is important, provided that it is actually needed and used correctly.

Companies all too often turn to technology (such as ERP and CRM) as the silver bullet to improve the organization's performance. Some companies that are not satisfied with their performance or cost of their technology investments have sought outsourcing.

But is that always the best solution? Can people with no knowledge or experience with your products, plants, customers, processes, or systems really do a better job? It's hard to imagine. Your people are your most valuable asset. Investing in education and training can be expensive, but the cost of poor quality that could result from insufficient training can far

outweigh it.

Sadly, ERP is not the panacea many expected. Technology in general, and ERP specifically, is just another tool in a company's tool box. Thinking is still required.

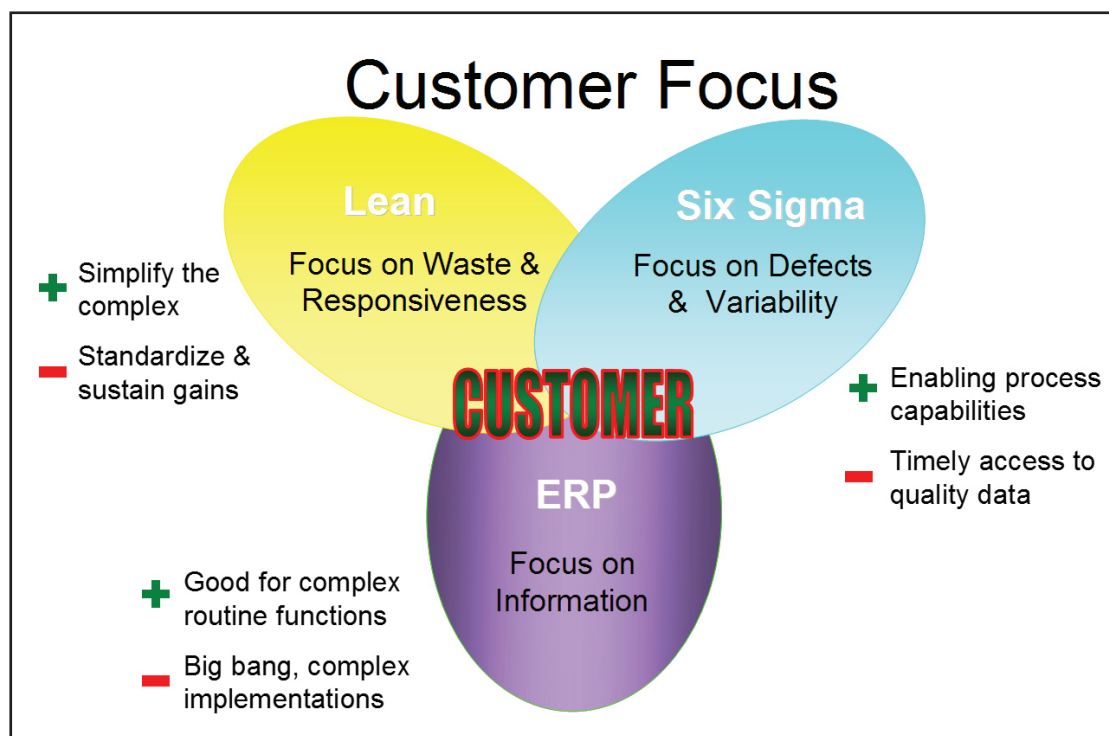
The Sixth Floor Consulting Group can help you with your ERP or systems challenges. We are not beholden to

any vendor or package, so we can provide an independent assessment of your systems challenges and improvement options. The initial consultation costs you nothing. Contact us today to schedule an appointment.

We will work with you to develop a business systems plan to optimize your current and future business performance. ■



"Technology in general, and ERP specifically, is just another tool in a company's tool box."



Lean, Six Sigma, and ERP are different approaches to creating more efficient business practices. They can work separately or in conjunction, and each has its own individual strengths and weaknesses.



Maybe it isn't so foolish after all

by Jill Kennedy

"Were it not for my little jokes, I could not bear the burdens of this office." — Abraham Lincoln

While there are several theories regarding the origin of April Fool's Day, the most popular one revolves around the change of calendars in 1582. The Gregorian calendar was adopted to replace the Julian calendar, which moved New Year's Day from April to January. People who refused to accept the calendar or did not know about the change continued to celebrate New Year's Day on the first day of April. Those that held on to the old calendar were ridiculed and labeled "April fools." The tradition of playing practical jokes and poking fun at others continues to this day.

On April 1, 1957, a British news show aired a short segment on a successful spaghetti crop in Switzerland. They showed pictures of people picking spaghetti off of trees. The TV station received hundreds of calls from people who wanted to know how they could grow their own spaghetti trees!

The spaghetti tree joke reached thousands of people, but on April 1st, many workplaces are buzzing with smaller scale pranks.

It is believed that laughter can relieve stress. In the workplace, stress can lessen energy, reduce productivity, and lower morale. So on April 1st, create your own harmless prank and laugh with others. And if a prank is played on you, try to laugh at yourself too.

It might be just enough to raise morale. ■

Upcoming Events & Learning Opportunities

Date	Event	Location
April 8	Western Mass APICS "ERP: Everyone is Ruining my Planning"	Holyoke, Mass.
April 14	Spring into LEAN in April with a One Day Lean Workshop	CCSU - ITBD Conference Center New Britain, Conn.
April 23	Congress for Progress 33	Baltimore, Maryland
April 27	APICS Seminar 1	Marlborough, Mass.
April 28	2008 Benchmarking Tour - Western Region Shingo Prize	Seattle, Washington
May 5	ASQ World Conference on Quality and Improvement	Houston, Texas
June 9	ABI EC (Alcoholic Beverage Industry Electronic Commerce) U Connect 08 Conference	Dallas, Texas
June 9	AME - Lean Wave Regional Conference	San Diego, Calif.
September 14	2008 APICS International Conference & Expo	Kansas City Convention Center



The goal of Sixth Floor Consulting Group is to create best-in-class processes, allowing each of our clients to take their businesses to a higher level of quality, profitability, and Lean operation.

Contact us today to put us to work on your team.



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ADI: Aerospace Defense Initiative

ERP: Enterprise Resource Planning

IWT: Incumbent Worker Training; provides resources for employers to train currently employed workers in an effort to keep businesses and workers competitive

MBTI: Myers Briggs Type Indicator

MRP: Abbreviation for "Materials Requirements Planning"; a production planning and inventory control system used to ensure that materials are available and to maintain low levels of inventory; also used to plan manufacturing activities, delivery schedules, and purchasing.

TAA: Trade Adjustment Assistance; a program sponsored by the U.S. Department of Commerce that provides financial assistance to manufacturers affected by import competition

PRIME: Process Reengineering for Increased Manufacturing Efficiency; an audit program offered by Connecticut Light & Power that provides qualified companies with funding for up to six Lean projects

WIA: Workforce Investment Act; a federal program designed to meet the training needs of the nation's businesses and job seekers, as well as those wanting to further their careers

Conference Alert

Look for Sixth Floor Consulting Group at the ABI EC (Alcoholic Beverage Industry Electronic Commerce) 2008 Conference at U Connect 08 in Dallas, Texas. The show is being held June 9 - 12 at the Gaylord Texan. For more information about the conference, go to www.abiec.org.

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