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Don't Leave Money on the Table

Business owners and C-suite leaders do not intentionally allow their organizations to incur unnecessary cost and processing time, but this leakage still occurs. This is not meant to be a criticism. Leakage in any business is as perennial as the grass. Some of the potential sources of leakage are obvious, while others are more obscure, but both contribute to eroding your bottom line.

Setting the Table: Commit First, Dedicate Second

Organizations can start taking initiative now to improve service and manufacturing performance while earning a positive return on investment. In fact, you should require a return-on-investment based on improved profit. But how can small and mid-sized businesses accomplish this with limited time and resources? What is the process? What is the risk? How is success measured? Where do you start?

To start, consider taking a fresh look at where money might be lost, then systematically address those areas. Next, consider involving a dedicated resource with the right approach, business skills, tools, and leadership - insulated from the daily duties of operations. This sets the table for laser-focused cost and process improvement.

Work Your Way from the Outside, then to the Inside

Being customer-centric is the right thing to do and customers are the reason you are in business. Lifetime customers are earned when businesses share the value they have created from improved cost and processing time. Whether your business location is bricks and/or clicks, improvement opportunities may be found by looking outside your (virtual) walls to your customers, then analyzing your value stream from within.

Yes, You Can Have Your Cake and Eat It Too

You have set the table. You remembered to work from the outside-in. Your customers are benefitting



from the added value you've created through improved cost and processing time. Your income statement has demonstrated increased profit that exceeds your improvement investment. You have realized a net positive ROI and own all future gains that can be reinvested to grow your business. To me, that sounds like having your cake and eating it too, without leaving money on the table.

Conclusion

Costs and inefficiency are robbing value from your financial statements, which ultimately passes on to your customers. Until and unless business owners and C-suite leaders make the commitment to engage dedicated, knowledgeable, and skilled resources to undertake an objective improvement assessment to quantify opportunities, money will continue to be left on the table. Setting the table starts by making that call.

Key Takeaway

Business owner and C-suite commitment to turning hidden and unnecessary costs into ROI allows you to have your cake. The newfound net profits can then be reinvested into future business growth, allowing you to eat your cake, too. Loyal customers, who are the reason you are in business, also benefit from this new value creation, and provide future sales revenues to enable you to repeat the cycle.

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