

IMPACT MONTHLY

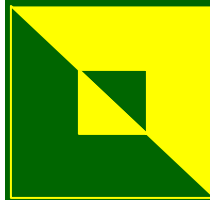
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Global-Springs is now **Productivity Constructs**. Productivity Constructs, Inc. will continue to offer all of the distribution and supply chain design and implementation services previously offered by global-springs. We will be adding a host of additional services focused on helping your organization adjust quickly to the challenges of the new economy.



global-springs, Ltd.

is now



Productivity Constructs, Inc.

... energizing your business ...



Dr. Edward Knab

Seizing Advantage in a Downturn:

Inaction is the riskiest response to the uncertainties of an economic crisis. However, rash scattershot action is nearly as damaging. Rising anxiety (How much worse are things likely to get? How long is this going to last?) and the growing pressure to do something often produces a variety of uncoordinated moves that target the wrong problem or overshoot the right one. A disorganized response can also generate a sense of panic in the organization and distract people from seeing something crucially important: the hidden but significant opportunities nestled among the bad economic news. In a recent blog Tom Peters said, "instant mindless cutting R&D, training, or sales-force travel in the face of the downturn is often counterproductive — or, rather, downright stupid. Tough times are in fact golden opportunities to get the drop on those responding to bad news by panic and across the board slash-and-burn tactics that demotivate the workforce at exactly the wrong moment".



The first step for a company to take in a challenging economic environment, especially one that could significantly worsen, is to assess in a systematic manner their vulnerability at the company level, and by business unit. Sketch out at least three scenarios, a modest downturn, a more severe recession and a full-blown depression is defined by duration and severity. Quantify the impact.

Protect your financial fundamentals by assuring that the organization has adequate cash flow and access to capital. A lack of liquidity not only creates immediate problems but also is critically important to your ability to make smart investments in the future of the business. Measure the impact of each of these on your business and determine the manner in which you can reduce your exposure. Loosely run operations, sluggish unit sales, and an over-extended enterprise leave you vulnerable to economic shocks. You can mitigate these risks by reducing costs and increasing efficiency. Aggressively managing the top line, rethink your product mix and pricing strategies and shed unproductive assets.

Do you need some help navigating through these challenging waters?



You are receiving
Productivity Constructs
monthly newsletter with tips
designed to make your
organization
operate at peak
performance.

Member Organizations:



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Productivity Constructs will provide your organization with a free assessment of your companies, effectiveness, identifying in writing the areas of opportunity and the associated action plans. Call Ed at +1(800) 660 8718.

Green Distribution?

After all that has been written about customers demanding environmentally friendly products, we expected a groundswell of enthusiasm for stocking and selling environmentally friendly products. Of those distributors that have implemented green initiatives within their own companies, nearly half have indicated it has led to additional costs. Some of those initiatives include: expanding recycle programs, reduced energy consumption and using environmentally friendly packaging solutions and reusable containers.

Although some distributors remained cautious about the green movement, most predict that the drive towards stocking environmentally friendly products will become increasingly important in the years ahead. There's little doubt that energy costs, packaging costs, and landfill costs will continue to escalate in the future. Green programs must be viewed as long term, and sustainability is critical to long-term success. Have you initiated a Green movement in your organization; would you like to?





All executive coaching consultants will tell you that it takes a combination of self-confidence, positive personal impact, outstanding performance, communication skills, and interpersonal competence to succeed in your career and life. People who are successful in their lives and careers have mastered all of these five elements, and excel in one or two of them.

Outstanding performance is very important to career and life success. It is at the heart of the five success elements. No one can be successful without being a highly competent, outstanding performer. The incompetents and poor performers get identified and are asked to leave or are placed in marginal positions pretty quickly. However, as I remind my clients, don't forget the other four.

You have to be self-confident, make a positive personal impact, have highly developed communication skills, and act in an interpersonally competent manner if you are going to succeed. These four elements are necessary complements to outstanding performance. All self-confident people have at least three things in common:

1. Self-confident people are optimistic.
2. Self-confident people face their fears and deal with them.
3. Self-confident people surround themselves with positive people.

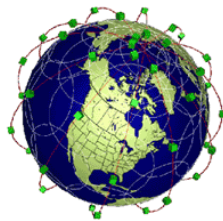


Successful people surround themselves with positive people—people who are both positive by nature, and positive about their success in their lives and careers. Positive people are optimistic -- and optimism is the first step in building self-confidence.

Today's Technology:

One of the interesting technologies I noticed at the recent PROMAT show involved a product called **Asset Assure** by Arinc; it provides real-time remote global tracking, tracing, monitoring and asset management security. **Asset Assure's**

wireless communication technology provides the ultimate, end-to-end, safe and secure supply chain management architecture, fully tailored to track goods' movements anywhere in the world. Utilizing a combination low orbit satellites and cellular communication networks **Asset Assure** has the ability to track assets in transit across the supply chain. The sophisticated technology is able to monitor goods movement 24/7 anywhere in the world, it can tell you if and when shipments vary from the scheduled shipping route or make an unscheduled stop in transit.



This technology is currently being deployed for tracking high value cargo shipping in ocean containers around the world. The technology is flexible and economical and utilizes the existing wireless infrastructure which allows shippers to take advantage of this unique technology without worrying about high set-up costs. Data routing and gateway selection is based on the most cost-effective, ad hoc option — providing viable customer solutions that provide the ultimate in control while being cost effective.

I can see a day in the not-too-distant future when this technology can be applied to all global shipments providing improved control, tracking, and tracing from point of origin to the point of receipt. For more information go to: http://arinc.com/asset_assure.

Inventory Control Strategy:

Successful companies understand that supply chain and inventory management are linked to financial health. The process begins on the

ground floor and can affect every level of the supply chain. Even a small amount of cash tied up in stagnant inventory can impede a distributor's overall efficiency and his ability to accomplish strategic business objectives. These are the first seven steps to financial improvement via proactive inventory management.

1. "Right Size" inventory.
2. Optimize slow and excess inventory.
3. Reduce holding costs.
4. Optimize and synchronize via chain management group increased visibility.
5. Improve forecast accuracy.
6. Make the right investment in inventory.
7. Monitor key performance indicators (KPI'S).



Rightsizing inventory does not simply mean reducing inventory. It means taking the time to identify precisely where the inventory is out of balance and to bring it under control which will minimize uncertainty during purchasing cycles. This means analyzing existing behaviors and identifying improvement areas such as slow selling items and excess inventory, establishing a baseline and committing to a go forward strategy. **If you would like some assistance rationalizing your major assets call +1 800 660 8718 for a FREE analysis and professional recommendations.**