

## **SURVIVAL IN BUSINESS/INDUSTRY TODAY** (Change must Occur if we Expect to get Better Results)

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I would like to pass along a little insight into what is happening in this ever-changing world we live in today. It amazes some and worries others who seem to be confused by the rapid changes in the world and would like to go back to the world in which we grew up many years ago when change was not as rapid as it is today. The business/manufacturing world today is vastly different from what it was as little as five or ten years ago. Advanced technology, that is highly productive, and global competition are the driving forces behind this never-ending change. It seems that new technological developments are occurring every month and the days when we used to do the same thing month after month are gone.

Globalization and the fierce competition it has brought have created a need for industry to produce high-quality products quickly and at less cost. This is a real challenge for some industries that have not kept pace with the constant-changing technology and still hope that 5 to 10 year old technology will keep them in business. The challenge can only be met by constantly updating manufacturing and information systems at least once a year. What we must do is to develop and use manufacturing systems that produce better products, faster, and at lower costs than our competitors in order to survive. These highly-productive systems are available to anyone in the world and those companies that use them first are very likely to survive while those that do not will gradually fade away. It is not a case of whether a new technology can be afforded, but can you afford the consequences of not investing in your future by having the new technology and increase your productivity?

### **Increased Productivity = Increased Profitability**

The word productivity is little more than an abstract concept that doesn't seem to register well in most people's minds – if at all. Something seems to get lost in the translation, even though it is make or break for most companies today. However, think of it as profitability -- money in the bank; isn't that what manufacturing or business is all about?

I came across this definition for productivity some years ago and it seems to have registered well with me and I will pass it along to you.

### **Doing the right things right, the first time**

We can easily subscribe to the very common rationale that **“We've always done it that way around here”** and that seems to justify the reason for continuing to do things the same way.

This is no longer good enough especially if the competition (locally, nationally, or internationally) is prepared to change by exploring new, innovative, and better ways of doing things. A saying picked up during a visit to the HONDA plant in Ohio a few years ago merits some consideration.

**IF YOU ALWAYS DO  
WHAT YOU'VE ALWAYS DONE  
YOU'LL ALWAYS BE  
WHAT YOU ALWAYS WERE**

If your competition is prepared to use new technology and you are not, you're going to be left behind – there is no argument on that point; it's a proven fact. New technology does not cost money – **if used on the proper application by personnel trained to get 100% of the productivity it offers, it MAKES MONEY** and the return-on-investment (ROI) is generally from 2 to 18 months.

The decision to be made is not whether you can afford to invest in the new technology and remain in business, or **can you afford to be without it** and not be around in a few years.

### **Keys to a Successful Business/Manufacturing Operation**

The business/manufacturing world today, is vastly different from what it was as little as five or ten years ago. Advanced technology and global competition are the driving forces of this never-ending change. It seems that new technological developments are occurring every month and that the days of where we used to do the same thing month after month are gone.

As a result of this changing technology, businesses/companies have been downsized significantly through consolidation, mergers, acquisitions, and bankruptcies. In order to succeed in the 21st century, the manufacturing operations must be global, modern, technology-focused, highly flexible, quality-driven, and cost-competitive, with a well-trained workforce. They must design and develop innovative products, and manufacture them using state-of-the-art processes and systems with a well-educated, well-trained workforce.

The companies that have survived in this brutally competitive industry have followed eight basic principles:

- They invest in the continual retraining of their people in new technology.
- They improved their operating efficiency and the quality of their products.

- They have reduced defects and waste by implementing lean manufacturing principles.
- They invest in new, high-tech products, automated process equipment, and systems technologies.
- They invest in research and development (R&D), even though times are not economically desirable.
- They bring new products to the market faster.
- They are customer oriented and have increased and exceeded their customer expectations.
- They respect the past but focus on the future, meeting the changing needs of their customer base and the marketplace.

To Stand Still is a Sure way to Fall Behind  
because More Progressive Companies will pass  
you and Take away Your Customers.