

# #1 Outdated Systems, Processes and Technology

When it comes to systems, processes and technology, "outdated" is one of the biggest problems facing our industry. A look around the typical window and door company reveals plenty of manufacturers "make do" with slow and inefficient applications and systems that were put in place years ago.

The dangers of outdated systems, process and technology opens your business up to a barrage of threats such as:

## **Lack of Speed**

As our world continues to accelerate, so do the demands of our market, clients and suppliers. Using anything that was designed for a pace of yesterday creates cost and inefficiencies that can't be recovered by just trying harder or spinning the pie pans faster.

### **Business Risk**

Cyber-attacks and unsupported hardware and software are just the tip of the iceberg. Equipment without a supply chain of spare parts and process that were put in place for a smaller company are only two more. Working with outdated systems and software means you're cultivating higher risk within your business.

### **Putting Out Fires**

Delayed shipments, missing units on a truck, shipping the incorrect product or manufacturing to the wrong dimensions. These are all areas of critical weakness harming your reputation which require extra time, money and resources to resolve.

# **Customers leaving for Competitors**

As your business grows and tries to keep pace with the demands of the quicker market, lead times go up and delivery rates go down. Long wait times and mistakes, along with a lack of innovation to keep up with market demands are major reasons for customers leaving.

# Solution

Taking the time to embark on the journey of change to modernize and future-proof your company may very well be the most important journey your company will ever take.





# #2 Silos of Information

This sounds familiar! All too often, the systems in place were purchased (or built) over time based upon the immediate need that the system solved at the time. Each running independently from the next department. The amount of effort it takes to keep a company running on multiple silos often far exceeds the cost of manufacturing the product. The signs include:

## **Duplication, Duplication**

Entering the same information into different systems, creates duplicated documents across the business. This type of behavior results in human error, takes up time and creates bottlenecks in the company. Wasted time results in margin and profit erosion.

# **Stand-alone Systems**

Managing the upkeep of separate resources, databases and systems is time consuming and expensive. This also prevents collaboration of business-critical information between your departments. Even when patches are created to connect one "system" to another, information leak can take place.

### **Restrictive Information Flow**

When departments build up stand-alone solutions, this restricts the flow of information, often creating "selective sharing" and a negative competitive atmosphere. This creates a disjointed picture of the business and makes it difficult for the executive team to see the full picture.

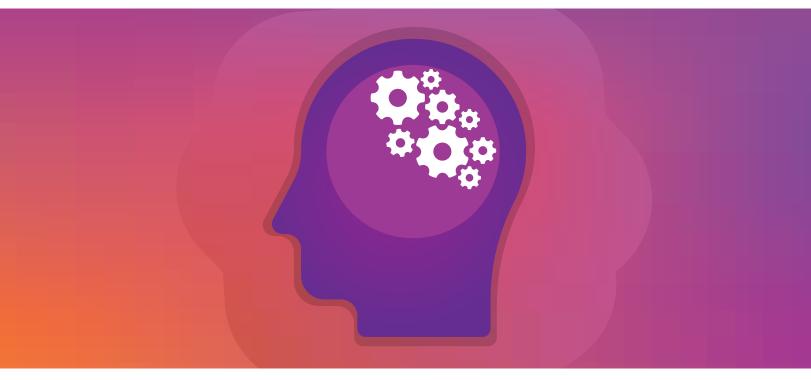
### Lack of vision

This mindset plagues our industry where, all too often, leaders what to live in the now and leverage their business based on where they've been. When a company fails to look over the horizon to see where they want to go and figure out how to get there, they will continue to be stuck in the present.

# **Solution**

Getting your company running a business on a central database removes the risks and costs associated with silos. This allows your company to grow and scale in a way that would have been impossible in a silo driven organization.





# **#3 Tribal Knowledge**

Tribal Knowledge is built up over a course of years of experience with little to no documentation or paper trail. Having experience is great. Having experience buried in the minds of a few key people, not so great. Areas of weakness include:

### **Lack of Documentation**

Undocumented processes result in lack of shared knowledge and presents an issue when a key member of staff is no longer with the business. Somebody takes ill and requires long term care. A family health issue calls them to care for a sick person, etc... All that knowledge walks out the front door.

### **Information Hoarding**

Intentional, or unintentional, hoarding of information is often done to create a sense of job security for employees, but this is not in the best interest of the business. Often, we create a problem for ourselves in relying upon the wisdom and knowledge of a few to keep our business running. Running a business like this further validates hoarding and makes it difficult, if not impossible, to train and develop new staff.

### **Aversion to Automation**

The #1 fear we hear about automation is the risk to job loss, "getting replaced by a machine" is the common theme. The reality is that automation and technology are coming to everything and anything in the world we live in. Trying to keep it out of a business due to fear only hurts that business in being competitive and profitable in the long run.

# Solution

Embracing modern systems and processes will allow your company to do more with less experienced staff. This results in more profit to the bottom line and will enable future growth and job security for everyone.





# **#4 Labor Shortages**

Throwing money at people isn't working, large incentives to staff for referrals gets a few resumes in and revamping the company kitchen area to be more like a home, barely gets a notice. The real problem here is that we are looking for people who don't exist in this tight labor market. Here are just a few of the problems that we are facing:

# **Negative Labor Pool**

The economy nationwide is strong. Around 5.4 million jobs have been created in the last two years in the US alone. There are more open jobs than there are people looking for jobs. This magnifies when you get into manufacturing. The problem is, we don't have the labor pool to pull from like we did in the past.

### Increased cost of labor

With a limited pool of people available to work in the labor market, competition to fill open jobs becomes more fierce. Employers are having to sweeten the deal which often involves increased wages and offering added benefits. This has a negative impact on profit margins.

## **Tech vs the Dark Ages**

In today's market, workers from the factory floor up to the management office want a working environment they can relate to. We all use a Smartphone loaded with multiple apps to help manage our personal daily lives. Ask a worker to use outdated equipment and processes and they'll find it hard to relate.

# Solution

Look at what parts of your business you can automate. Get more done with the same number of staff, or less. It also gives you the ability to attract workers at all levels of the company due to having a "relevant" environment.