7 Common Mistakes That Destroy
On Time Delivery Performance...

# That You Can Easily Avoid

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## Do You Consistently Deliver On Time?

"It was due yesterday!" barked the man on the phone.

"I know, but...." I wasn't allowed to finish my sentence.

"Your supplier review is coming up next month, we'll discuss it then" was his statement.

"OK" I said feebly. I knew that the damage over the last six months was going to be hard to repair, assuming it could be repaired.....

**Welcome**

As you are reading this short report I assume that you want to make your business work in a way that makes delivering on time simpler, less chaotic and more consistent.

'On time' is a commonly used phrase, but when you are faced with a complex relationship between a number of factors (sickness, suppliers, computer systems, habits etc..) then achieving on time delivery consistently can be a little bit harder than many people think.

On the following pages I will share with you a handful of common mistakes that can be avoided. But, before we launch into these topics you might be wondering why I am offering this free report.

I help businesses to improve the way that they work, so that they can deliver on time (and make more profit whilst dealing with less chaos!). If you can relate to the problems we discuss in this document but need a hand to overcome them in your business then at least you will know my name as someone you could turn to (and my contact details are at the end of this report should this be the case).

**OK - let's look at the common mistakes.**

## Mistake #1 - Overloading the Business

The best way to improve your on-time delivery performance is to stop setting yourself up for failure in the first place.

Simply put, don't take on more than you can actually do.

**The Problem**

Have you ever waited all day for a delivery?

And then it doesn't show up?

It's really annoying isn't it?

The point I am making is that when you fail in front of your customers you really fail. You can make all kinds of mistakes behind the scenes, but the ones you make in front of the customers really count.

Now, I'm not suggesting that you have really broken the hearts of your customers when you miss your delivery dates, but you have broken a promise you made to them in the first place.

If you think in terms of promises being either kept or broken it can make your decision making a lot easier.

**The Solution**

Manage your capacity more adeptly when you are considering accepting new orders.

**Actions**

- Get a handle on your capacity planning information.
- Use it at your contract review meeting (see point 3).
- Manage your schedules and smooth out your capacity requirements whenever required (don't wait until the problems build up).
- Use the information to manage your teams and your resources more effectively.

**"If you correctly load your business then most of your delivery problems could disappear in the very near future!"**

## Mistake #2 - Lack of Focus and Routine

Most jobs within a business are there for a purpose. Sometimes this is not clearly visible when you find out what people are actually spending their time on.

### The Problem

Many jobs are also entwined with other tasks that take up considerable amounts of time.

Often the secondary tasks overtake the primary tasks and it's easy to get into a mess, always playing catch up when something goes wrong.

### The Solution

Match the person's activities to the key points in the business' processes. Make these activities happen like clockwork and witness a big (and often immediate) effect.

Quite often being able to define the purpose of a job role in one sentence can bring a lot of clarity back to day to day working.

e.g. "I purchase materials", "I design new products", "I improve manufacturing"

### Actions

- Map out your business process(es).
- Identify the key points in the process where tasks must happen 'like clockwork'.
- Build a flexible time table of when these tasks must occur (start of day, daily, weekly, monthly etc...).
- Integrate the time table into your normal working routine so that it happens as planned.

**"Focus on the process not the outcomes to define what tasks are important."**

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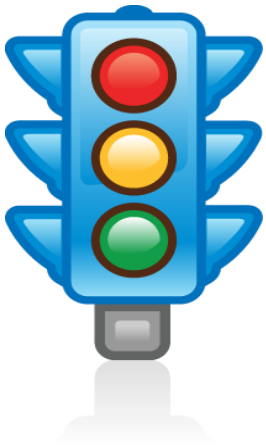
## Mistake #3 – Not Using a 'Contract Review'

A contract review is a short meeting between departments, or a checklist used by the person who puts the orders onto your order book.

### The Problem



If we get the wrong decisions made at the start of the order then completing the delivery / project / service can become difficult, and expensive, near the end.

We have already touched upon the issue of ignoring the capacity available in the business and failing to consider other features that are important to your business can really trip you up.

### The Solution

Ensure that your planning is done at the start of an order entering your business and not at the end just before despatch. Create either a short meeting agenda, or a checklist, to help the people tasked with accepting new orders into the business to do it right each and every time.

### Actions

- List each department that is involved with delivering the product / service / project.
- For each department list the key points that they would need to consider. For example; design, delivery dates, packaging, licenses, inspections, sub contracts, invoice terms etc... Anything that could trip you up at the end is worthwhile including in your list.
- Create a short focussed meeting agenda so that you can run through your list of considerations every time a new order is being accepted.
- Alternatively, use the same list as a checklist if no meeting is required.
- Consider streaming various order types; rigorous (every single point in detail considered), medium (repeat orders, several points), lightweight (just delivery dates).

**"Be thorough and methodical with your order intake."**

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## Mistake #4 – Poor Handovers Mid-Process

Very often the focus of a business that is struggling to achieve a consistent on time delivery performance is on the final output. However, at all stages of the process it is possible to 'deliver on time' to the next stage.

### The Problem

When we don't consider how each part of our process passes its product (information or physical) to the next stage of the process problems can occur. Instead of fixing the problem it is easy to ignore it (creating delays possibly), or just to get on with it (re-work the product until it is right for your team).

It is much like dropping the baton in a relay race. To try and catch up in the race you need to expend a lot of additional energy. Winning the race means smooth handovers conducted at speed.

### The Solution

Create handovers like the relay race example above. Find out what happens at these interfaces and design a better way for the product to be passed. Whether this means the sequence of passing work, or the information that is included, create a slicker way to transition between the stages in the process.

### Actions

- Map your process and identify the transitions (the handovers).
- List all of the issues faced at each handover.
- Create a better way to conduct each handover so that overall the work requirement is less for the business.
- Test the ideas against the original method and evaluate the best way to execute the transition.

**"Properly define the process handovers and watch as your performance increases."**

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## Mistake #5 – Inadequate Performance Measures

Many businesses can't tell you where their performance will be, they aren't looking at what their process tells them right now.

### The Problem

If a business is using Key Performance Indicators (KPIs) there is a good chance that they will be using 'output' KPIs. Output KPIs tell you what happened. They tell you the past.

Knowing how each part of the process is doing means that you can change the performance at that stage and gives you a good opportunity to change the eventual outcome.

### The Solution

Similar to the dashboard of a car, you can create a small suite of KPIs that tell you how your process is doing, alongside keeping an eye on the outputs. Just as you would in your car, you can change the performance by focussing on one of the elements and adjusting it. In your car it may be changing gears or accelerating. In your business it may be the release of works orders or the movement of resource between work centres / departments.

### Actions

- Review your process map and identify the key points in the process where on time delivery can be affected.
- Find what information you have available to give you the answers to questions such as:
    - What is the on time finish rate of that stage?
    - What is the on time start rate of that stage?
    - What is the lead time through that stage?
- If the figures aren't good use root cause analysis (such as '5 Why') to get some good answers and go and change the process.

**"A good balance between process and output KPIs can help you operate your business more effectively."**

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## Mistake #6 – The Perils of 'Dirty Data'

Time and time again I visit businesses that have a main system that they use to manage their business (such as an ERP or MRP II systems) and then a series of workaround tools. The data that is left in the main system is often incomplete and inaccurate, often referred to as 'dirty data'.

A lack of discipline and understanding with the core system can lead to poor decision making if the dirty data is used. Additional work can also be required if secondary systems are put in place.

### The Problem

The number one cause I have come across for this problem is a lack of understanding of how their business' system is meant to work. If they don't know how to use it then they risk not using it properly. This leads to poor information that cannot be relied upon, and this can lead to re-inventing the wheel rather than fixing the problem (that they don't understand in the first place).

### The Solution

Finding out where these workarounds exist, why they exist and then plugging the holes is the way out of this situation. Most business systems employed follow similar logic, and sometimes it is an educational issue that needs to be addressed. However, this does give you the opportunity to improve the instructions you have in your business as well as bolster the routines you have developed.

### Actions

- Find the workarounds present in your business.
- Track the workarounds back to the cause / lack of understanding.
- Review the methods being used and update the Standard Operating Procedures (SOPs) accordingly.
- Provide the necessary education to those who need it.
- Periodically audit the system to make sure it is being adhered to.
- Implement 'housekeeping' reports to ensure that your information is clean and accurate.

**"Keep on top of the quality of your system information and it can significantly help improve your delivery performance."**

## Mistake #7 – Poor Inter-Team Communication

Even a small team cannot rely upon telepathy! The routines we have discussed along with the various points in the process and KPIs need to be managed. Communication binds all of the last six points together.

### The Problem

You sit next to your colleague, or you oversee your team. Everyone is getting on with their work, but how do you periodically pull it all together to make sure that you are working as effectively as possible to achieve the performance targets of your business?

Even in small teams it is easy to become silos of one person.

### The Solution

A short daily meeting is a great way to solve this problem. It only needs to take a few minutes and can help you to pull all of the information in this report together. The agenda is basically a checklist of 'yes / no' questions that can help you to manage your process, and possibly some KPIs to provide context.

### Actions

- List out your daily routines as the main agenda points.
- Phrase each question so that it can be answered either 'yes' or 'no'.
- Add in the process KPI information to the start of the agenda.
- Find a good time of day (near the start is usually best) to hold the meeting.
- Keep the meeting duration as short as possible (it is for focussing the team and correcting behaviours, not for long discussions).

**"Get your team together, re-focus, and get the day started off right. The weeks and months will follow suit!"**

## Now it's Your Turn...

I hope that these seven mistakes can be avoided by your business, and by implementing some of these ideas you will see an improvement in your on time delivery performance.

If you want some help with your improvements then why not try one of the following?

**Online Toolkit**

The 'Making It Happen' online toolkit is a resource that contains worksheets, strategies and ideas designed to help you accelerate your continuous improvement projects.

View the full details here.

**Consulting Support**

If you are looking for some direct help then perhaps a bespoke project or some long distance coaching might be more appropriate to your situation.

All projects start with a conversation and you can learn more about my consulting and project activities using the link below:

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## Client Testimonials

We employed Giles on the recommendation of a third party and couldn't be happier with the outcome. Giles' expertise and no nonsense approach to problem solving was just what we needed. Since Giles' help and support our production lines are running much smoother and productivity is much improved with less wastage and remakes. I couldn't be happier with the outcome.

**Nick Kehoe, Managing Director**
**Jasmin Design**

Continuous Improvement (CI) has given us the leading edge over our competition.

It was important that Dyer Engineering received meaningful training. One of the key things was that the training was based on site at Dyer Engineering and tailored to suit our day to day requirements. Giles used his experience and knowledge along with my knowledge of the business to deliver the training and ensured that we focused on the key areas. We based the exercises around real time scenarios within the manufacturing areas to get full involvement from the CI Teams.

Overall the training was a great success and as an outcome Dyer Engineering are now utilising the tools and techniques learned in their day to day challenges.

**Stuart Banks, Continuous Improvement Manager**
**Dyer Engineering**

Giles from Smartspeed grasped what we were trying to do from the first meeting, the methodical approach, structure and mentoring that he brought to our project allowed our improvement engineer to complete the tasks quickly and effectively.

**Gary Thirlwell, Commercial Director**
**Express Engineering Ltd**

You worked with the team and made sure that all parts of the business linked together. Admin shouldn't be a 'black hole'; you encouraged the people to use the tools available and helped them gain confidence in doing so. Your skills in time management, systems and finding waste helped you to get straight into this project without causing disruption to my staff.

**Mark Robertson, Owner**
**The Northumberland Cheese Company**

## About Giles Johnston

Giles is a Chartered Engineer with a background in Operations Management, who has specialised in the areas of MRP Systems and improving on time delivery performance.

He has worked in a variety of different roles within manufacturing prior to working as a consultant for a prestigious university.

In 2005 Giles decided to forge his own path and created Smartspeed, which has been helping businesses to improve their delivery performance, along with their profits, ever since.

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