

ATLANTA BUSINESS CHRONICLE

VIEWPOINT

Manufacturing businesses grow when leaders empower employees

Leaders of manufacturing companies need to better leverage the talent that exists in their organizations. Empowering and focusing mid-level managers on activities that improve processes, define standards and communicate goals can be a powerful catalyst for growth.

Presidents or owners who are too involved in the day-to-day operations of the plant don't have time to focus on vital planning and strategic initiatives that grow the business over time.

It's not hard to understand how a manufacturing leader can get mired in the daily muck. Nobody knows the business like the man or woman at the top; that's the person who may have started the business, nurtured it through painful times and propelled it to prosperity. Plus, it feels good to roll up one's sleeves and get things done.

But it's not the best strategy for most businesses. At HA&W, we have found through engagements with dozens of manufacturing companies that growing the business requires C-suite leaders to spend most of their time on planning and other strategic initiatives that will move the company forward.

Those that reverse the formula – spending more time in the weeds and less on the future – are doing themselves and their company a disservice. **People, processes, technology** So, what does a hands-on manufacturing leader do to push aside today's tasks to focus on a growth-enabled future?

It comes down to three key factors: people, processes and technology.

Any successful company is brimming with smart, talented, dedicated people eager for a chance to advance. Identify your best, put them in the right jobs, empower them to make decisions and broaden their horizons with training. The latter, though, is often the downfall of many penny-wise companies who don't invest in education. Only 28 percent of Georgia companies we surveyed – as part of the 2014 Georgia Manufacturing survey in conjunction with Georgia Tech and Kennesaw State – said training was a priority, an error that will harm them in the long run.

Re-jiggering operational leadership should

be done in conjunction with a thorough examination of work processes. A simple analysis of key accounting metrics will reveal areas that are lacking, and that can be improved through revamped processes led by fervent, involved "new" leaders.

Naturally, optimizing technological resources is another key to elevating performance. From ERP systems that maximize efficiency to advanced data analytics that inform smarter decisions, technology can propel business growth – and relieve you of many once-burdensome tasks.

Finally, a key element is to benchmark existing performance, and then track, measure and assess the results of the new approach against desired growth objectives.

The benefits are often immediate and quite tangible. Leaders who extract themselves from everyday operations are able to focus on the next few years, not just the next few days or weeks. And they can spend more time nurturing customer relationships, pursuing business-driving partnerships and crystallizing plans that may thrust the company into new markets.

Basically, it means they have time to think. Voltaire was right when he wrote that "no problem can withstand the assault of sustained thinking." **An upside down organization that works**

Getting out of the weeds really works. Just ask Ian Malpass.

Ian is the founder and president of Millennium Mat Co., a Gwinnett-based manufacturer producing commercial mats, rugs and retail products from a 250,000-square-foot facility in Suwanee.

A workaholic who is passionate about his business, Ian is a hands-on doer accustomed to being involved in everything. But as his company got larger and his workload grew more burdensome, he realized that he couldn't do it all, and that he was underutilizing some of his smartest and most talented employees.

So, as he describes it, he turned the organization chart upside down, transforming every production line into its own business unit. Now, not only do line managers and



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teams run their piece of the business under a separate P&L, but they also have a stake in the profits if they beat performance goals. As he explained in a radio interview last year, "We do everything we can to empower [our] people to make decisions, and the role of management is to support them."

Meanwhile, Ian is freed up to pursue strategic initiatives and new business opportunities that were often pushed to the back burner when he was too involved in operations.

While Ian's specific approach may be too radical for some, it does illustrate the transformative nature of this method. So empower your people and watch your business grow.