

Hello, everybody, Dennis Engelbrecht, Digging Deeper.

Today. I want to continue where I left off last week about productivity, talking about productivity. We have a problem in our industry about productivity, and productivity's never been more important as we struggle with restricted resources, particularly people. We've got to get more done with less.

Well, one of the areas to improve productivity is in your logistics, all right? And what do I mean by logistics? Logistics, getting the right people the right materials, the right plan, all together at the right time to produce things efficiently or effectively. Any one of those is missing, you can have the people there, you can have the supply, but we don't have the plans, that doesn't work. If we're missing the materials, that doesn't work. Now with today's supply chain issues, we have an accelerated problem on logistics that is ... Well, we've always had the problem, frankly, but now it's just gone to a magnitude we probably couldn't have imagined before.

With logistics, I want you to think of it two ways. One is what's internal, the things that you can control, and what's external, the things that you can't control. Today it seems like we have a lot in logistics that we can't control. We find out at the last minute that no, the supply is not on its way. In fact, it hasn't even gone into manufacturing yet. Well, why didn't we know that six weeks ago? Well, we could just wash our hands and say, "Well, we can't control that. That's an outside thing." But the fact of the matter is the external things, the things that you supposedly can't control, you certainly can influence and understand, but you don't do that taking shortcuts or the short way to it. You have to take, today, you have to take a lot of extra steps.

I know I've told a story in the past about this construction manager from Turner that was in my office as a miscellaneous metals contractor three times during a job and I was probably represented 1% of his scope. But what he was there doing was understanding what was in his control, what wasn't his in control, and how he could influence what wasn't in their total control. He influenced our performance in such a way to make his job work and he had close enough knowledge that when something wasn't working, he was informed so that he could go back with the things he can control and recreate a logistical plan that still worked.

Whatever processes you have and wherever you're in the chain today, the fact of the matter is the step you may be used to take, today it takes two or three more steps to understand where something really is in the supply chain and to make sure that your relationship and communication is good enough so that as soon as something happens, that's going to put you out of kilter or out of sync with what needed to be done, you've got the knowledge so you can adjust and try to maintain a certain level of productivity and efficiency on your job. Now those are the things we supposedly can't control.

Now, we come back to the things we can control. Well, there are some folks that might say the lean construction method doesn't work in this kind of environment. I would argue that it's more important in this environment. You have to be collaborating. When things are changing on a dime and instantaneously, you've got to have good enough communication and collaboration, and you've got to have a plan B and a plan C so you're ready to adjust and you're ready for folks to be able to collaborate and get together and still be productive.

Logistics, the major challenge, particularly in today's supply chain challenged world, but you've got to have the right things, the right place, at the right time if you're going to be productive. Dennis Engelbrecht, Digging Deeper.