

FORMING IDEAS

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WHAT'S YOUR WASTE-O-SAURUS?

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Wäs-tō-sau-rús, n. [Waste, and Gr. sauros, a lizard.] A cute but troublesome creature that wastes time and material. The Waste-O-saurus is elusive but commonly identified through reduced profit and productivity.

Page 4 Facts

We hang on to stuff because we just never know when we might need it. After all, it's free... or is it? The shocking truth on page 4.

Measuring and tracking data can net you thousands of dollars if you do it right. Learn about a simple tool that you already own.

Grapevine

Beef, Hats & Carpets?

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The Civility CEO

Exclusive Report!

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WASTE-O-SAURUS SIGHTINGS



Our Waste-o-saurus stories have covered topics ranging from keeping spare parts in inventory for quick equipment repairs to saving big bucks on your hydro bill.

“I know it’s here somewhere....”

And with those immortal words, the search for the perfect remnant begins. A forklift is called in to begin moving mountains of material. Odd shaped crops mostly. Accumulations of years and years of leftovers from old orders, some of them completed over a decade earlier. Material just too good to send to the scrap yard because you just never know when it might come in handy. Soon dozens of pallets litter the warehouse isles and oddly enough, the shelves still look jam packed.

The scene outside isn’t much better. Piles of steel plate, most now rusty, pitted and covered with dirt, fill the yard. But, what the heck, it’s all free. It doesn’t cost anything because it was all paid for a long time ago. Besides, some of those plates, even if they are too damaged to sell are... well, it would just be a darn shame to toss them, wouldn’t it?

Nevertheless, the search continues. There are now a dozen more pallets pushed out to the yard and, you guessed it, the shelves are still full. Another forklift has been called into action but neither can do much because now there’s no room left to move.

“I was absolutely, positively sure it was here. Let’s check the shelves in the back.”

All the material on the floor is moved out to the yard to gain access to the shelves in the back and the ritual of pulling pallets begins again in earnest until late in the day when the search is finally called off. It takes another four hours to put things back more or less where they came from and a purchase order is sent out for a hundred and fifty bucks worth of material.

But... it’s all free, so what the heck. Of course, people work for free and the warehouse doesn’t cost anything. Heat and light are cheaper than dirt. Forklifts don’t cost a penny and neither does yard space. Besides all that, the customer doesn’t mind a bit that it took an extra day to get the job done. Or do they?



Some good rules to follow:

If you haven’t used it in a year, throw it out.

If you have lots of it, throw out the small ones.

Clutter is a distraction and will reduce productivity.

If you don’t know where it is, you don’t own it. It owns you.

What’s your Waste-O-saurus? Share your story and we’ll send you a Waste-O-saurus mug and T-shirt. You can e-mail your story to: thebest@brenco.com

Grapevine

Legend has it that in 1617, during dinner and after a few goblets of wine, King James I of England suddenly stood and drew his sword and, laying it across the meal, declared: “Gentlemen, as fond as I am of all of you, yet I have a still greater favourite - the loin of a good beef. Therefore, good beef roast, I knight thee Sir Loin and proclaim that a double loin be known as a baron.”

You’re “called onto the carpet” when you’re going to face serious discipline for a mistake, error in judgement, or lie. The expression originated in the military where only senior officers had carpets, and the only reason a soldier would get to stand on one would be if he was in a lot of trouble. The expression has since moved into the business world, where the thought of it continues to strike fear in the heart of any employee who hopes to stay with their company until retirement.

Why are Christian men required to remove their hats in church? Removing clothing as an act of subjugation began when the Assyrians routinely humiliated their captives by making them strip naked. The Greeks amended this by requiring their new servants to strip only from the waist up. By the Middle Ages, a serf had to remove only his hat in the presence of his superiors. Following these gestures of respect for the master is the reason Christian men remove their hats in church and why Muslims leave their shoes by the mosque door.

The Accountability Factor:

How to Become More Credible in 2 Easy Steps

“When you get right down to the root of the meaning of the word “succeed,” you find that it simply means to follow through.” F.W. Nichol

Several months ago our microwave oven suddenly stopped working. Despite ongoing correspondence, numerous service calls, two conversations with the store owner, one loaner, and what can only be called a comedy of errors, we are still waiting for the repair to be complete. Four weeks ago we were given a promise that the required parts would finally arrive in 7 - 10 days. We haven't heard another word since.

As a result of this fiasco, we have completely lost faith in the company that sold us the appliance. Through it all they have offered nothing more than excuses, and no one has taken responsibility for the ongoing delays.

As individuals and businesses, we have a duty to honour the commitments we make, whether that means being on time, completing tasks efficiently or fessing up when things don't go as planned. Each time we take responsibility for our actions we enhance our level of integrity, leading us to gain the reputation of being reliable while earning the respect of the people we work with and serve. This element of professionalism is dependent on one critical component: accountability.

Accountability is a currency you can take to the bank, because it's the composite that welds corporate behavior to customer satisfaction. Quality will always matter. Coupling quality with credibility provides a double corporate whammy that keeps your clients coming back for more. These days, with so many providers in the marketplace, consumers are much more prone to invest their hard-earned money in companies that can be trusted to do what they say they're going to do, when they say they're going to do it. We're tired of chasing after the products and services we've bought and paid for. As a society we've developed follow-up fatigue.

Equally as important, accountability is what helps employees procure pay raises, receive new opportunities and acquire increased responsibilities. Business owners value team members who take their work - and their word - seriously.

So what do you do if you work with someone who isn't accountable? How do you manage people who blame others, constantly make excuses, and refuse to take responsibility for their actions?

It starts with clearly stated expectations. Let people know, in no uncertain terms, what they can expect from you and what you expect from them. This exchange should include specifics such as dates, deliverables and details. Document your mutual expectations so that you have written confirmation of agreed upon roles and responsibilities.

Allow people the autonomy to make reasonable decisions on the company's behalf. When employees feel like they have no say in matters, they will often have no choice but to make excuses for why things can't be done. To accomplish this, you must create clear and open lines of communication. Be available to answer questions and guide your staff when they need or ask for help.

Set a great example. Consistently demonstrate, through your own words, actions and behaviours, what accountability looks like. Double standards are a thing of the past; corporate success relies on your ability to show others that accountability is one of your personal core values.

Regularly follow up with people to ensure that commitments and timelines are being met. If they are, share positive feedback reinforcing your appreciation for the level of productivity you're seeing. If commitments are not being honoured, however, you must have frank, civil conversations reviewing your expectations and outlining the consequences of unmet obligations.

Accountability is a respected guiding principle that can easily be developed by anyone who follows these two simple steps:

Step 1: Say you're going to do something.

Step 2: Do it.

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Sue Jacques is The Civility CEO™, a corporate civility consultant, keynote speaker and executive image mentor who helps individuals and businesses gain confidence, earn respect and create courteous corporate cultures. A regular media guest, she has appeared on Oprah Radio, CTV, Global, BNN & CBC. Before becoming The Civility CEO™, Sue spent 18 years at the Medical Examiner's Office, where she investigated thousands of deaths and witnessed the ultimate costs of incivility.

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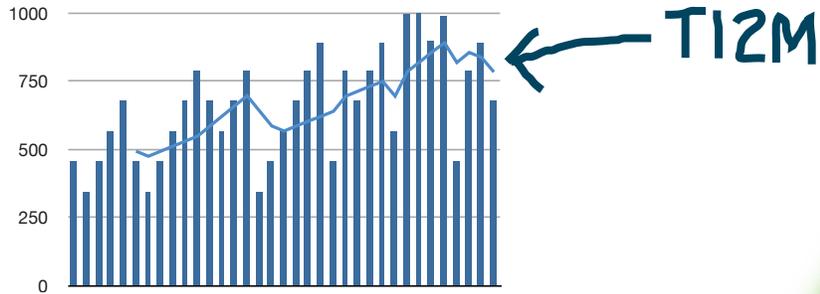


On Saturday, July 7, 2012, Brenco once again proudly sponsored the Tour de Delta Criterium in downtown Ladner. It was a great evening made even better by a large cheering crowd and perfect weather. Brenco would like to congratulate Ryan Anderson and Steph Roorda for winning the two major events of the evening.

What's a T12M?

"By far the best tracking tool is the Trailing Twelve Month Chart (T12M)", says renowned business consultant, Kraig Kramers. You can apply it to just about any meaningful indicator or measurement in your company. More importantly, *nothing* gives you a truer picture of what is going on. It will also alert you to potentially major problems so that you can take early action before they reach crisis stage.

Monthly data only tells you where you are relative to the previous month but not how your business is trending. The chart below shows fluctuating individual monthly data. The low months could cause some anxiety but notice that the T12M line indicates an upward trend. T12M removes the cyclical ups and downs focusing instead on long term trends. Adding a T12M is very easily done in an Excel spreadsheet. It is one of the trendlines available in a drop down menu.



The Hidden Cost of Inventory

Imagine that you have 10,000 lbs of mild steel remnants on your shop floor.

Replacement cost: \$5000

Scrap value: \$700

Storage space required: 100 sq ft

Annual cost for lease, taxes, heat & light for 100 sq ft: \$1000

Annual man hours required to move, sort & measure: 12 hours @ \$50/hr = \$600

Total annual storage cost: \$1600

Consider that if the material is prime and has a value of \$5000, the annual carrying cost is 32% or 2.6% per month. Shocking? Wait, there's more!

If the material has only scrap value of \$700, the annual carrying cost is a 228%, a staggering 19% per month. What a Waste-o-Saurus!

In contrast, it's not unreasonable to suggest that floor space used effectively can generate sales of \$200 per square foot. That's \$200,000 of potential annual revenue.

Brenco has been publishing
Forming Ideas
since November 2007



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We know that most people don't read the fine print at the bottom of the back page so we can say just about anything we want here. We could say that we are the largest metal fabricator in the world. It's a lie of course but we provide a wider range of cutting, forming and fabricating services than anybody else in BC. That's the truth. 60,000 square feet filled with the best equipment in the world. Brenco is located at 10030 River Way, Delta, BC, Canada V4G 1M9, near the south end of the Alex Fraser Bridge.

phone: 604-584-2700

website: www.brenco.com

email: laser@brenco.com