en • tro • py / ˈentrapé / noun.
Lack of order or predictability; gradual decline into disorder.

ENTROPY BUSTERS®

"Stop letting the process manage you! Become the champion of your game plan and achieve sustainable profits".

ENVISION
AN ENTROPY LESS ORGANIZATION

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Management Consulting, LLC

Entropy Busters® Series
Entropy Busters®
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Entropy Busters® has competed the full trademark registration steps

For those who have known me for years, you know that Entropy Busters® is a phrase I routinely

use to explain business processes that have broken down while simultaneously revealing what is needed to sustain best practices.

Getting back to the trademark. This is my first trademark! Why is this so important? Most of my clients know me as the guy that will dive deep into a problem and help define, lead and implement the solution. I've made a very successful career of doing this, and I'm very proud of the accomplishments of teams I've worked with. However, I have much more to offer to my clients and the business community. I want to be known for my strategic and advisory proficiencies.

So, what exactly is entropy? We have heard that the universe is expanding. Why is this? As the universe expands it is moving to a lower state of energy. We see this every day; the old barn that is falling apart or neighbor's yard that looks awful. Do you see this at work? Absolutely!

A few examples:

1. Do you ever start the day with a plan, and before you know it? "Poof", the plans have vanished? It feels as though the day is managing you, rather than you managing the day. This is entropy at work.
2. How many times have you been involved in fixing a problem at work; whether it's a manufacturing line quality check, (the operator stopped doing their 1_{st} piece inspection and sign-off) or a supply chain process (the person responsible, stopped following up on purchase order acknowledgements)? As soon as we move on to the next problem and stop following up, the process ceases. It may break. Something changes and the team does not know how to fix it or course correct. Again, this is entropy at work.
3. During football games, how many times is the quarterback sacked or hurried? The higher the number, the less fundamentals are in place. If the fundamentals of an offensive front line are in place, the quarterback has the necessary time to complete the game plan. Consider the quarterback sacks as errors impacting the customer: a line shut down or a visible quality issue. When the quarterback hurries, this is the same as rework within your processes, that the customer never sees, but impacts total cost.
4. Not having the basics and fundamentals in place is a result of allowing entropy to creep into the process.

Entropy is a Giant Sucking sound on PROFITS!

Are your teams better fire fighters than problems solvers? Is there a lack of structure to the day? Is the day managed by Chaos theory?

In order to reverse this cycle of entropy and entropy creep, energy must be added to the process with constant pressure applied to the accelerator. The starting point is, to breakdown processes into their simplest elements and build from there.

For this I've developed a three-part operating model called Entropy Busters®.

Phase I – Breaking denial and loading the team on the bus.

- *Shed denial.* If your day is managed by chaos, you have regular fire-drills, the fundamentals need to be addressed. Put the egos away.
- *Significant emotional experience or find an enemy.* There needs to be a reason for significant change. Sometimes a crisis needs to be created.
- *Establish meaningful KPI's.* Cut the 100 KPI's down to 3-5 of the most meaningful. Teach and educate the team as to why these KPI's are important to the business and how they will impact the team.
- *Get everyone on the bus and establish purpose.* Get everyone engaged and focused on the top 3-5 KPIs. Don't worry too much about getting individual or team members into the right seat, just get them involved as part of the solution. Again, educate the team on what your product is, who it goes to, and how it makes the world a better place?

- *Foundations of Operational Excellence and critical thinking skills.* Start simple; we are not building a rocket ship here! Basic SPC, a few paredo charts and following the Plan-Do-Check-Act process will go a long way toward improving your profits.

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Phase II – Getting the team on the same page

- *Sustain Phase I.* Not as easy as it sounds.
- *Visual Daily Management.* Start getting every part of a daily cadence for the critical KPI's. These are the production meetings, supply chain status meetings, etc.
  - *Get everyone on the same page.* What needs to be done right now to make the next 24 to 48 hours successful? Get everyone focused on the same goal.
- *Establish GEMBA.* As a team, go see the work area and where value is created. Observe the actual flow and environment as the work is being done. Work with the team solving any problems and opportunities.
- *Establish cadence for tactical and strategic.* Have the mornings set aside for tactical and afternoons for long term solutions. Teams need the time and structure to be successful.

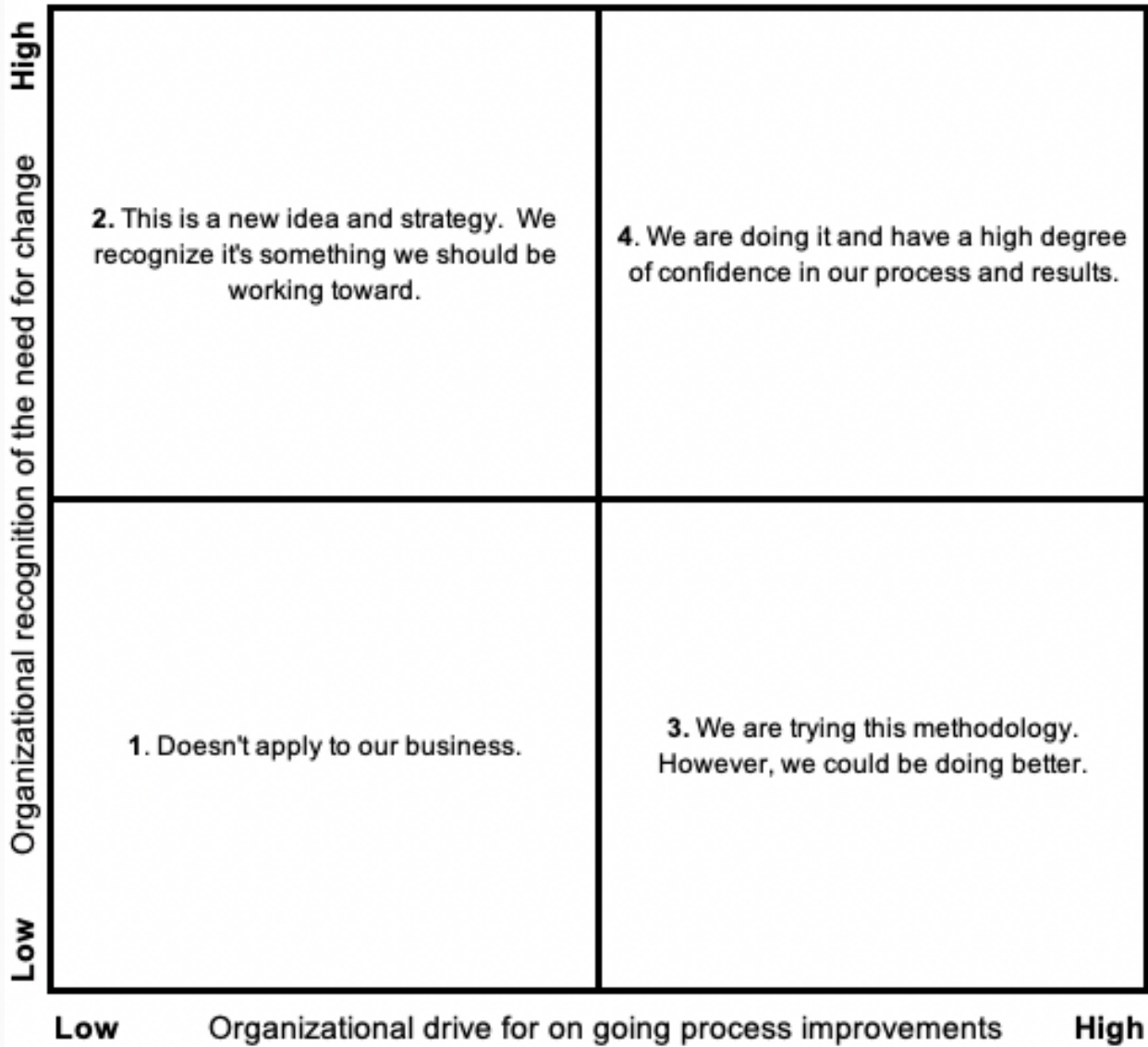**Phase III –** Team Building, Establishing Community and Having Fun.

- *Sustain Phase I and II*
- *Team Building*. Team members want to be part of something bigger and better.
  - Instill a learning mindset: Educate the team.
  - Recognize the team for good and unfavorable results. Emphasize, "red" is good.
    - Establish friendly team rivalries.
  - Make communication meetings enjoyable.

- Recognize birthdays with a lunch or dinner. Then allow the team members to openly ask questions.
- Have quarterly reviews, and recognize the team with the best results for the prior quarter. (Be certain everyone is evaluated on the same KPIs)
- *Give everyone a role.* By giving everyone a role, you build inclusion and make everyone part of the solution**.** You will be amazed how many hidden geniuses there are and how those once castaway by the organization gain a new lease on life.
- *Add more intricate levels for data integrity and process timing.* The Red/Green KPI.
- *Sustain.*

Entropy Busters® allows you to manage your game plan. If the fundamentals of your offensive front line are in place, you spend less time firefighting and more time completing the game plan. Envision Entropy Busters® as your front line that allows you to manage your daily/weekly/monthly game plan(s).

Self-Ranking - Pick one of the four questions below and then fill in your comments in the space provided.

1. Don't think this applies to your business or enterprise? (Write three to four reasons why it might not.)
2. This is a new idea and strategy, it's something we need to work toward. (Brainstorm the first steps.)
3. We can do better, modify our strategy, and now we are moving in the right direction. (What are the next steps to insure success?)
4. Our team gets the necessary time to keep their minds fresh and we have plans to live our dreams. (Comment on how you're ready.)
    - _____.
    - _____.
    - _____.
    - _____.

The y-axis is labeled "Organizational recognition of the need for change" ranging from Low to High. The x-axis is labeled "Organizational drive for on going process improvements" ranging from Low to High.

2. This is a new idea and strategy. We recognize it's something we should be working toward.

4. We are doing it and have a high degree of confidence in our process and results.

1. Doesn't apply to our business.

3. We are trying this methodology. However, we could be doing better.

Art Koch's Profit Chain™

Dramatic improvements to inventory velocity, increased customer service and corporate profits"

Entropy Busters®

Stop letting the process manage you! Become the champion of your game plan and achieve sustainable profits.

Inventory Is Evil!™

in·ven·to·ry / ˈin-vən-ˌtȯr-ē / noun
Inventory is the term for the goods available for sale and raw materials used to produce goods available for sale.

in·ven·to·ry is evil! / ˈin-vən-ˌtȯr-ē is ˈē-vəl / phrase
Left unchecked inventory has many negative unintended consequences to profitability.
It hides problems; **therefore, it delays fixing problems!**

Art Koch's Profit Chain™
Turn Operational Problems into Profits

Visit Our site

Thanks in advance for your time. As always, thanks for being a loyal client. Looking forward to helping you and your team again soon.

Carpe diem,

Art Koch

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