

OpEx Sustainment 101: Meet Annual Goals—One Day at a Time



If your organization consistently misses its daily targets, then it will be hard pressed to make the week, month, quarter, or year. The key to success is to stay on track all day, every day. Research supports the use of a daily management system to keep organizations focused on doing the right work, right now, and ultimately achieve breakthrough performance.

Achieve Your Operating Goals, One Day at a Time

In the quest for sustained operational excellence, your organization has an Annual Operating Plan that outlines goals for the year. Ideally, those goals relate directly to the organization's long-term strategic vision. Now comes the hard part: how to accomplish everything you want to accomplish over the course of the year without getting sidetracked along the way. Obviously, it's critical to make progress every day. Because if you miss the day, it's hard to catch up and make the week, the month, the quarter, and ultimately, the year.

Even though it's intuitive that every day counts, research by the [National Center for the Middle Market](#) and Dr. Peter Ward, a professor of operational management at The Ohio State University Fisher College of Business, shows that only about half of mid-sized and large firms have the elements of a daily management system in place. Fewer than a quarter strongly agree that daily management activities are part of the routine at their organizations. That's a lot of companies that are theoretically "winging it" when it comes to getting the job done and meeting strategic goals.

3 Elements of Effective Daily Management

Per the Center's report, there are three components that need to be in place for effective daily management:

1. **Visual controls.** Things like centrally-located or web-based visual tools, up-to-date whiteboards, or digital signs that display goals and KPIs along with the progress being made toward those objectives during the day.
2. **Accountability.** There needs to be a standard way for leaders to ensure that the work that is getting done by the people responsible for doing it.
3. **Leader standard work.** Also known as "management by walking around," leader standard work typically involves short, daily meetings that take place around performance boards, giving leaders a way to stay on top of the people and processes they manage.

Without these elements in place, TBM's experience has shown that, time and again, misses are not recognized until it's too late to save the shift and the day. And that puts the entire week, month, quarter, and year in jeopardy.

How a Daily Management System Works

Putting the elements of daily management in place, and making them routine, requires process rigor and discipline, which is exactly what a formal management system is designed to deliver. For example, the TBM Management System instills a structured, routine operational performance management process for keeping critical business activities on track every day.

Here's how it works:

1. **The TBM Management System makes progress visible to everyone.** Visual controls are central to the TBM Management System. War room set-ups, large bulletin boards, and online visual dashboards show performance targets and results by hour, shift, and day, for indicators such as safety, quality, delivery, cost (SQDC), productivity, and other key measures.

2. **Accountability starts at the lowest level.** Thanks to the visual controls, everyone on the team knows when performance is off track. And people at all levels are empowered to do something about it. The TBM Management System helps create a culture where people on the front lines can take immediate action to correct a problem—they don't have to wait for orders to come down from upper management. In fact, upper management often doesn't need to be involved in the issue at all if production people can resolve it themselves.

3. **Daily walk-throughs keep leaders informed.** The TBM Management System includes leader standard work. Daily walk-throughs by management gives teams the chance to brief their leaders on what's happening, what issues have been encountered and resolves, and where the team stands in terms of meeting its daily goals. Standardizing the oversight elements of operational performance management keeps everyone engaged and aligned around goals and KPIs, so performance improvements starts to come naturally to everyone on the team.

With Daily Management, Companies Don't Just Meet Goals; They Exceed Them

When a global pharmaceutical manufacturer implemented visual control boards and daily performance reviews, it experienced dramatic results. The company was dealing with production costs that were as much as three times higher than industry benchmarks. After getting the elements of a daily management system in place, the business improved productivity by a whopping 66% over a three-year period. Ultimately, the manufacturer was able to expand its product portfolio without increases in footprint or headcount. Read the daily management system story here.

Daily Management is Just One Component of a Comprehensive Formal Management System

Effective daily management is critical to meeting goals. Combine it with proven processes and techniques for strategy deployment, problem solving, and people development, and breakthrough performance becomes achievable faster than you can imagine.

New Management System eGuide Available Now

To learn more about daily management and all of the components of a highly effective formal management system, download our e-guide today.

Management System eBook **Sustaining Your Operations Powerhouse**

Our latest e-guide explores the Center's research on how to sustain operational improvements, and it outlines how The TBM Management System, and its supporting technology Deploy Solutions, can help your company adopt the Center's recommendations. Learn how you can leverage operational excellence to drive sustainable, profitable growth.

[**Read it now**](#)



Bob Dean, Co-Founder, Board Member, & TBM Alumnus

Bob Dean co-founded TBM Consulting Group 25 years ago. He recently retired from day-to-day consulting but he continues to serve on the TBM Consulting Group Board of Directors



Dan Sullivan, Executive Vice President

Dan Sullivan is Executive Vice President and serves on the TBM Board of Directors. He leads the firm's North American consulting operations. He is a coach at heart and is passionate about operational excellence, cultural change and results.



David Pate, Vice President

Dave Pate is an experienced business leader with previous roles in plant management, planning and lean operations. He currently serves as Vice President, introducing new clients to TBM, cultivating long-term growth with current clients and on-boarding new clients.





Gary Hoover, Vice President, Global Private Equity Practice

Gary has over 30 years of experience as a global leader. He rejoined TBM after working as Vice President of Operations at ESAB. Gary currently leads TBM's Global Private Equity practice.



Ken Koenemann, Vice President, Technology and Supply Chain Practices & Dploy Solutions

Ken Koenemann leads TBM's Supply Chain and Technology practices and is currently leading new product development for TBM's proprietary software business, Dploy Solutions.