

Pandemic Diary: Shortages force creation of new strategies

By <u>Daniel Dwight</u> May 22, 2020 2:06 am



THAT'S A WRAP: Cooley Group employee
Jonathan Rosado Morales packages finished product,
an environmental protection barrier for the U.S.
military. Despite a shortage of raw material, Cooley
has maintained its shipping schedules.
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(Editor's note: This is the sixth installment in a weekly series on how Cooley Group is managing the COVID-19 pandemic, from the perspective of its CEO. Read <u>part 1</u>, <u>part 2</u>, <u>part 3</u>, <u>part 4</u> and <u>part 5</u> here.) This week, as Rhode Island updates COVID-19 testing protocols and evaluates the safest ways to reopen, Cooley Group continues to manage through economic and operational challenges.

At this point in the pandemic, "change is the only constant."

Before the coronavirus, I regularly reminded my team of this adage as it applies to Cooley's approach to innovation. But, as Cooley works to reimagine a "new normal" and eventually returns to the industry 4.0 goals we set prior to the pandemic, we can expect unforeseen surprises with each step. In anticipation of these shocks, metaphorical "off switches" must be built into Cooley's management framework to provide real-time assessment of challenges to effectively evaluate alternative courses of action.

At Cooley, these "off switches" are deliberate "debriefs." A debrief is a structured process following an exercise or event that reviews the actions taken. At Cooley, we host crossfunctional debriefs throughout and at the conclusion of each project or new business initiative to communicate lessons learned. For more information about the mechanics of debriefs, I recommend reading "The Debrief Imperative" by James Murphy, U.S. Navy fighter pilot, and William Duke, retired U.S. Navy commander.

An upstream issue in the supply chain creates a domino effect.

At Cooley, we hosted a series of debriefs recently concerning an unexpected COVID-19-induced raw-material shortage. A key supplier reduced its production capacity because of changes it implemented to reduce risk of pandemic spread in its facility. As soon as our supplier informed us of potential shortages, Cooley had to face the reality that

the just-in-time inventory strategy implemented to maximize working capital would not sustain the company through the COVID-19-induced material shortages. We needed a new strategy.

In the short term, the Cooley Manufacture Team readjusted production scheduling to account for a reduction in raw materials. Because of COVID-19, our raw materials can arrive on inconsistent timetables, in turn forcing our machines to operate shorter, nonoptimal extruder run times. Adjustments to production scheduling then affects Cooley's delivery to our customers. As a result, the Sell Team must then collaborate with our customers to determine how to minimize the impact on their production and delivery schedules to their customers. You can see how quickly an upstream issue in the supply chain creates a domino effect.

To prepare for and mitigate these challenges, Cooley hosted multiple debriefs. The Facilitate Team needed to understand more about our supplier's challenges preventing them from fulfilling orders on time and to activate alternative suppliers. Manufacturing Team needed to develop optimal production schedules based on available raw materials. The Sell Team needed to manage communications with customers to ensure we prioritize their delivery requirements. And a full Executive Team debrief questioned Cooley's overall strategy regarding raw-material inventory management and operational processes to ensure we are developing the most effective contingency plans.

Cooley employees' willingness to openly and honestly debrief successes and failures internally, as well as externally with our customers and vendors, is critical. Debriefing reinforces the company's transparent culture. To manage through the inevitable uncertainty that comes with operating a manufacturing company during COVID-19, I recommend using this time as an opportunity to reinforce the skill of adapting to constant change. n

Daniel Dwight is CEO and President of Pawtucket-based Cooley Group.