

An organisational development programme drives up sales through a new strategy and the implementation of new business processes

In the space of just 18 months Abbey Industrial Solutions has completely reinvented itself. Lead times have been slashed from thirty days to nine days, as complacency has been supplanted by efficiency. The sales force now sells a carefully constructed portfolio of products and services that have clarity and synergy. Everyone has a well defined role to play in moving the company forward. It's not an exaggeration to say that Abbey now has a whole new way of doing business. How has all this happened? Well, in no small part to Managing Director, Martin Stead. To achieve such significant change Martin had to define new strategies, new processes and a new culture and to implement these without losing the commitment of his people. To do so he enlisted the services of Bergander Ltd.

Abbey Industrial Solutions is a family owned business which employs 28 people. From the outside, the company looks like any other, but walk through the door and you can feel the passion and enthusiasm. Venture in a little further and you can't miss the ambition and drive oozing from Martin's office as you walk the corridor and catch the shadow of his clenched fist punching the air.

Abbey sells and services industrial tools for a wide range of customers throughout the UK. Its customer base includes predominantly mid-sized traditional manufacturing companies as well as some corporate giants including Corus, Bombardier and the MOD. True, the market is shrinking but while the competition intensifies, Abbey have taken time out to develop strategies to make themselves more attractive and to seize market share from their competitors. In addition, the company has repackaged its service offering so that it now appeals to a much broader customer base, including non-traditional markets.

You can buy a single power tool or a complete planned preventive maintenance schedule in which all your tools are sent in for regular maintenance from Abbey. The company also has a tool management consultancy service, which you can use for an on-site tool management audit or for specific specialist support. To support these services Abbey has a service centre (incorporating an engineering workshop), a sales department and a technical support division.

The change has been centred upon the systematic redesign of Abbey's business processes that was managed and implemented by Bergander. The programme began with a Bergander Process Audit, which identified specific obstacles to success and areas where effort was being expended in adding little or no net value. Shortly afterwards, a project team was set up, tasked with redesigning a brand new process. To steer the team a number of performance measures were agreed, the most important of which was the 'white-tag-time', the total time taken from when a customer relinquishes a tool (and a white tag is attached with date and time) right up to the time when they are back in possession of the tool (and the tag is removed). When the results from the first month came in, most people didn't expect the 'white-tag-time' to come out as just over 30 days, but that's what it said! As in any good change programme the next step was to define performance targets. Performance targets, that is, based on customer requirements and not on existing business constraints, which so often is the case. After an energetic debate in the workshop, everyone agreed that in order to really storm the market and break new ground the 'white-tag-time' would have to be under 10 days! In other words, they needed to be three times faster!

Over the next 2 months the team took out a day a week to design a brand new business process, imagining all the time that they had a brand new company with no constraints whatsoever. When the finished 'dream process' was then compared to the status-quo a whole raft of action points were produced that would be required to install the new process. The team was delighted, and even a little surprised, when every one of the action points was agreed by the management team when the new proposed process was presented at a sign-off meeting. Each of the actions was designated as someone's responsibility and it was at this point that things started to change. Racking, for in-progress jobs were re-configured to match the new process, a computer was installed in the workshop for rapid stock checks, a daily activity cycle was implemented, new paperwork was introduced, responsibilities

were set, stocks were adjusted, performance was displayed and most significantly, workshop engineers were empowered to make important decisions themselves that previously had required management involvement. As the actions were implemented over a further 2-month period, the white-tag-time began to come down. Three months later the average lead time had descended to a steady 9.5 days. The team had literally designed and implemented a process that had achieved a major business goal. What's more, Martin now had some free time with which to continue to drive the business forward. Free time, it transpired, that was to be very well spent discussing and agreeing future sales strategies and sales processes with Bergander.

With an improved operational capability the next step was to sell it. The sales processes were redesigned but not before conducting a strategic review of the existing products and services. Abbey, it was agreed, had internal capabilities that were being taken for granted and not properly exploited and the products and services that it did actively sell were not arranged together in a way that enabled effective cross selling or a good understanding by the customer of the overall Abbey portfolio.

The most important change in the way Abbey now sells is in putting its adding value knowledge at the front-end of its products and services rather than at the back-end. A tool management audit is offered to clients, which assesses existing tool management practice against good industry practice. The audit, called 'system 6' identifies strengths and weaknesses against six parameters. Through the audit, customers have the opportunity to learn about important health and safety issues, cost reduction strategies and technical improvements. System 6 also helps to establish a business relationship so the possibility of more business becomes far greater than simply meeting the customer on a single-issue, single-solution basis.

With a new set of business processes and a suite of performance measures linked to these processes, the next step was to determine the resource requirements of the 'new business' and to implement an organisational structure that would maximise the potential of the newly installed systems. Now, what had previously been the sole responsibility of Martin, was split between three managers, each with his own committed team. You don't feel much of a hierarchy at Abbey, people still all muck in and support one another but the difference now is that people now feel personally responsible for the success and continued improvement of their own areas of work. It's not too surprising, because after all they were the ones who created the 'new business'.

The final part of the change programme was built around the theme of shared knowledge for the purposes of ensuring good customer service and improving internal efficiency. These were identified as key factors in maintaining the rising sales turnover. Each department uses a simple electronic tracking system to record its customer interactions, whether they be orders, enquiries or anything else. Then, at the end of each day the records are emailed out so that everyone in the business knows what is going on. It means that the account managers, for example, are kept fully informed of any interactions from within their customer base, which means they can follow-up and be kept in the picture on progress.

Business knowledge, business performance and news are communicated using a file, a sort of electronic handbook, called 'The Complete Abbey' which is stored on the shared drive on the computer network. It does, as they say, exactly what it says on the tin and anyone can access it anytime to find out information on the new processes, current performance levels, products, sales campaigns, customers and in the staff section you can even find out when it is someone's sandwich day (their birthday). The system is popular with all staff, requires little maintenance and serves as a centre-point in the business where all the definitive information is kept and where the different elements of the organisation are woven together.

Martin is one of those people who always says 'yes, we've done Ok, but we've got a lot more to do'. One thing that can't be denied though is the progress the company has made over the past 18 months – lead-times are down, sales are well up and the team commitment to being number one is tangible. Not only that, the company's hunger for even bigger and better things is insatiable. The mission continues - watch out for Abbey!

What was done

- New sales strategy
- New processes implemented
- New responsibilities defined
- Performance measures installed
- Knowledge sharing system developed

Achievements

- Reduced lead-time
- Increased sales
- Improved customer service
- Improved communication

If you would like to discuss a tailored business development or sales growth programme for your business that will begin with the agreement of new strategies and then implement these with new processes to achieve long term business growth please call us. We have a proven track record of delivering significant change of this sort across a wide range of industry sectors and every one of our programmes to date has delivered a significant return on investment.

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