

Improving Business Performance in a Manufacturer

Background

The company employs 35 people. For many years its products had commanded high margins but changes in the market meant that traditional applications were in decline. Future opportunities would be in large volume, high quality but low cost work for the automotive industry and in anticipation the company had invested in a new production line. Staff are represented by UNITE, T&G Section.

Problem

- High cost base compared to competitors
- Low productivity
- Working agreements rooted in the 1970s
- Inflexible working practices
- High overtime culture
- High absence levels

Outcome

- Productivity increase of 26%
- Direct labour savings of £257,000 per year
- Multi skilling introduced at no extra cost
- Flexible working introduced so that staff can be sent home or shifts cancelled when not needed and worked back when they are
- Higher guaranteed salary for all
- Extra pay linked to skill progression
- Overtime payments abolished
- Absence virtually eliminated