



Train to gain



Christine Walsh of MLC SL, outlines the benefits of the Meat Operations Management Diploma which will start in January 2011 and which uses a proven delivery structure to not only develop an individual, but also make money for the sponsoring company. A key factor for the participants is to learn to improve their own company profitability.

The world population is currently 6.8 billion growing to 9.5 billion by 2050, yet in some ways our world is smaller than ever. Local meat supplies are dropping as UK and European animal production has been falling.

Our customers (sometimes the supermarkets) know what they want and what they don't want and are continually responding to feedback from their own customers. Our competition is not our neighbour but is worldwide. Our rivals use instant communications and modern technology to deliver new products to new markets to gain real advantage. The world is moving so fast these days that the man who says it can't be done is generally interrupted by someone doing it, and the company which stops to think of what to do next is bought by one who is doing it.

Big does not necessarily beat small - Goliath did not beat David - but fast will always beat slow. We need our companies to be able to react and learn as fast as our customers, our markets and our environment changes around us. How do we make sure that our company will continue to be a player? It is survival of the fittest.

Every business requires people who recognise the need to change, who have the strategic and tactical techniques to cope with any eventuality in these turbulent times.

We need to be ahead of the game with a team of flexible managers who act as the architects of change. We know that if we don't change we decay. Our companies struggle to get and

hold onto well-trained managers. The manager is promoted from the shop floor. They learn the requirements of the day-to-day operation, but few get formal or professional training that enables them to plan improvements, save costs and to make more with less.

WHAT IS A GOOD MANAGER?

Top managers do have common traits. One is the ability to respond quickly, making good decisions. To do this they need to employ a variety of business strategies and models, coupled with leading management practices generally in a team-based organisation. A good team is run by a good manager, a genuine team leader. A good manager follows the basic principle that allows their teams to reach their potential; that is that their attitude is less about command and control and more about engagement and empowerment – and this behaviour doesn't necessarily come naturally. At first it's hard to persuade any manager to let go of control. But once they do, they realise they don't have all the answers. That sort of humbleness works, because it makes others in the team feel useful and powerful. They ensure that the team can consistently measure performance based on a handful of key indicators.

How can we cultivate these skills in-house? This is where the Meat Operations Management Diploma is of value. This development programme gives middle managers the tools and the ability to recognise opportunities and different perspectives. It develops the skill of working with

the team to find and use information, make decisions and set up procedures that will make big improvements for the workplace. Participants are taught how to make change happen. They learn to recognise what changes are needed, and acquire the expertise to structure a change programme and solve the problems forever.

SIMPLE DELIVERY

Teaching management well needs classroom science but managers should be given the chance to try new things, to make improvements and mistakes, and to remember they learn more by fixing their mistakes. As Einstein said: "While one person hesitates because he feels inferior, the other is busy making mistakes and becoming superior."

A huge gap exists in most organisations between the strategic aims and ambitions, and the ability or focus of the operations to deliver against these objectives. Paradoxically, time spent on developing an individual's skills and attitudes pays off in working more effectively with others. The diploma framework provides a safe format in which executives and individuals can come together, learn, develop and go back to the workplace and deliver improvements. It is designed to bring both tangible and intangible benefits to the business.

The diploma is a real example of a training programme that delivers more than just educated individuals. It continues to deliver significant changes to each of the sponsor companies for many years to come. It is programmed over two years (for most companies three financial years). It is also structured so that most of the learning is done on the job with only the 'in-class' modules timed to be at the less busy periods of the meat industry. To achieve the qualification, the candidates have to have made changes and saved their company money. The company should make more than they invest and the candidate will have benefited from a truly professional development. It's a 'win win' situation.



• Christine Walsh.



• An abattoir manager was shown how a business could improve the profitability of the 5th quarter. .

THE BENEFITS

The first running of the programme ensured that each candidate had to deliver financial improvements to their company. For some candidates this was a novel approach as they had not seen their role as either making or saving money for their company - just doing a job. You go to work and you do something. You sell product, you run the slaughter line/ boning hall/ retail packing area, you hit your yield targets, you ensure the quality targets are achieved (even making improvements to these areas), but saving money is not normally on the radar.

Company A: One project undertaken by a boning hall manager was to look at waste. Even though the company was hitting their carcass yield he believed there was a lot of room for improvement. At that time his firm was paying for the bones to be taken away after the deboning operation. However it was evident that there was excess meat being left. Taking an average month's production and weighing what was going into the skip, he calculated that, when annualised, over £150,000 of meat was being left on the bones, but not only that, the weight was increasing the cost of the waste by £2,500. The calculation enabled him to justify two extra people in the boning hall to ensure all the meat was recovered from the bones, with an increased contribution to profit.

Company B: A small family-run multi-species abattoir sponsored one of their managers. During the course he was shown how a business could improve the profitability of the 5th quarter. From one project, focussed on animal by-products, they saved over £100,000 per annum by changing working practices in the gut room and by harvesting some of the more exotic products for export, with no increase to manning or other resources.

Company C: This company's young manager was given a project to improve the value adding area in its cutting plant. Sales were going well and the company wanted to know what would be needed to increase the throughput. The business had seven operators delivering product, mincing, packing,



• **Matthew Dobson (left) and Jenny Harkness (right) have both benefitted from the Meat Operations Management Diploma. Matthew was the Young Manager of the Year at this years Meat Management Industry Awards whilst Jenny took the title in 2009.**

boxing, labelling and palletising mince meat. They were hitting targets daily. However, no one remembered who or when the targets were set!

The area was reviewed using a variety of procedures taught by Cranfield University. The young manger set-up a team including planning, maintenance and operators to produce process and activity maps, measure machine cycle times, line balance, identify wasteful activity and causes of downtime etc. Subsequently the company reduced giveaway from 1.6 per cent to 0.3 per cent, reduced the staff in the area by two operators, and increased the throughput by 14 per cent. These savings annualised at £180,000 and extra sales for less input - more for less. This one project alone made improvements that covered the candidates cost of the programme ninefold. Other projects with similar results were also carried out while on this programme

Companies D & E: Two companies sponsored young graduates from their sales departments onto the programme. The projects were very interesting and had similar results.

The first issue was that the salesman wanted to go in and sort out production, because they were being let down. The business knew it had to make savings. It had learnt how to improve production activities, but struggled to see how the sales process could be improved. They also struggled to see the cost to the business of selling product. There was poor communication of the specifications - production had got it wrong! Had they checked what production or planning was intended by the brief? What was the measure of customer satisfaction? And so on.

The development to move from a command and control style of management to a more communicative style, thus allowing production get on with its role, was a huge learning curve. The managers had targets to increase sales, but their plan to achieve this goal was to work harder and travel further and see more people. These qualities are laudable, but not the only solution, and therefore, after reflecting on how effective their plan was and measuring their own value adding and non-value adding activity, they came up with a better plan.

They reviewed their customers, analysed their markets and gained an understanding of how to improve what they were doing. For example, after a customer survey one of them discovered that their customer rated their performance for on-time delivery as poor, however this was their customers biggest priority. Their quality was good and paperwork was excellent, however these were less important factors to a large and important customer. Therefore, by actually understanding

the customer better and matching its needs, the business was able to increase export sales by well over £1million per annum and increase the contribution by, on average, £1.50 per kilo.

THE SUMMARY

Does a good manager take risks? If no, how can you be successful without taking risks? How long will you last if you continually take risks?

A good manager does his or her homework and researches the options. The genius of great managers lies in narrowing the odds. Taking risks is a mug's game. Undertaking the Meat Operations Management Diploma is not risky; it is a significant investment yes, but based on our knowledge and experience the risks have been removed.

Good managers need to know their strategy and their markets, their products and the cost of production. They are prepared to do anything and everything to achieve the strategy.

The previous candidates who attended a similar development course saved their companies between £13,000 and £180,000 per project. Some of them did six different projects.

We know we need to be forward-looking with a growing portfolio for the future. We know we need to develop our people, opening their minds, doing things better. The world is changing fast and educating and developing our managers should be too.

Companies go out of business because change was needed or new ideas required, but no one recognised the signs. So let's train and educate to gain a future. You can learn to be a good meat manager without the Meat Operations Management Diploma, but you will find it a lot better and easier with it behind you. ■■■

The Meat Operations Management Diploma will start in January 2011. If you would like more details please contact Christine Walsh. Email: christine.walsh@mlcsl.co.uk

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