



mpl: Food & Drink

Case study: Confectionery

Interim
Continuous improvement
Rapid results
Restructuring

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The Challenge

Improved Labour Management

MPL's labour resource management programme at a global confectionery manufacturer supported the management of optimum labour utilisation and control at a key UK production facility. The programme covered four business units (c.1,000 personnel).



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Background

In this document we outline the benefits realised through the implementation of MPL's LeanDriver Labour Planner at a major global confectionery company.

In support of a strategic initiative of better labour management at shift manager level and below, the site senior management team reviewed a number of solutions for next level labour control from off the shelf software to internally supported systems. Due to the complexity of this site's shift patterns and line manning structures, coupled with complex HR procedures including company holiday booking regulations and existing site agreements, the team selected MPL to:

- Customise their existing software tool (LeanDriver Labour Planner) in line with the site's specific requirements e.g. shift patterns, holiday systems etc.
- Deliver a focused programme of cost savings based on optimizing labour planning systems and reducing cost of site labour and overtime required and volume of Agency labour.

- Deliver a training and coaching programme to train site personnel in use of the new system and ensure they have the appropriate skills and expertise to be accountable for sustainable results going forward.

Approach

The MPL team undertook an analysis of the current working practices on site which found labour spends to be adverse to contract and plan. There was little awareness of the financial value of the variance and no focus on rectifying it.

Based upon findings, MPL designed and installed an automated labour planning management system across the production facility. This system collects information on all labour resource across all units and working shift patterns. A master database based upon commercial, planning and operational standards on site was created and integrated with other systems relating to labour planning such as HR records. Available resource is compared to plan to identify variances,

analyse reasons for variance and prompt corrective actions.

MPL's LeanDriver Labour Planner was configured to:

- Match available labour to line requirements and expose surplus labour and skills gaps
- Optimise overall labour utilisation and reduce dependence on Agency labour
- Increase Shift Manager accountability for crewing efficiency
- Facilitate the sharing and better management of information between departments; the Labour Planner exposed discrepancies between internal systems and now integrates HR, planning and manufacturing information

It is designed for ease of use, minimal input and focuses on visual reporting rather than complex output.



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Results

The programme delivered rapid and significant financial improvements, well in excess of the project remit. Overall, millions of pounds of savings have been achieved on one site through MPL's system installation and coaching programme.

Key savings were achieved through reduction in volume of Agency Labour and staff overtime required and significant improvements in labour allocation; effective matching of skilled resource to production requirements and re-allocation of surplus resources to other business units enabling big improvements in production efficiency.

Further significant additional savings were identified from the integration of all information systems relating to labour resourcing into one easy to use automated system, enabling value to be extracted from better management of absenteeism, holiday requests, booking of emergency and union days .

Financial Savings Delivered

Savings in agency labour
annualised - £1.05M

Savings in absence and holiday
control - £1.2M

Implementation

12 Weeks.

Immediate wins

Payback

1 Week

Annualised ROI 30:1



We appreciate that each business has its own unique set of business pressures, strategic directives, current problems and concerns. Each has its own business agenda and timescales. MPL's methodology has been developed in partnership with a wide range of businesses across a broad range of different sectors and we have worked at all levels of an organisation to deliver a unique and comprehensive response to their requirements.

This has enabled us to develop an intensive understanding of different industries, to provide our clients with an informed view on the issues and challenges they face and the ability to provide a specific and tailored service response that ensures results.

Bakery and Morning Goods

British Bakeries
Delifrance
Jordans
Warburtons
McVitie's
Crantock Bakery

Dairy

Arla Foods
Dairy Crest
Express Dairies
Robert Wiseman
Dairy Farmers of Britain
Norseland
Yeo Valley

Fresh Produce

Produce World Group:
Solanum
Isleham Fresh Produce
RB Organic
Rustler Produce
Wilson's Country

Soft Drinks

Coca-Cola
SunJuice
Greencore Water
Buxton Spring

Alcoholic Drinks

Bulmers
Carlsberg-Tetley
Charles Wells
Diageo

Fuller's

G & J Greenall

Irish Bonding

Irish Distillers

St Austell Brewery

Muntons

Greencore Malting

Grocery

British Sugar
Burton's Foods
Cadbury
Charlie Bigham's
Edme

Greencore Group

John Rannoch Foods

Kellogg's

Kitchen Range Foods

Premier Foods

The Serious Food Company

Wilkin and Sons

Cargill

Meat Processing

Dovecote Park

Kitchen Range Foods

Moy Park

Olhausens

Pork Farms Bowyers

Vion Food Group

Chemicals and Coatings

Akzo-Nobel

Crown Paints

International Paints

Omya

Automotive

BMW

Roll-Royce

Calsonic Kansei

Electricity Generator

International Power

Industrial

Acordis Acetate Products

Cameron Leeds Manufacturing

Healthcare

Kimberly-Clark

S C Johnson

PZ Cussons

Reckitt Benckiser

Hoya

NHS

Countess of Chester Hospital

Homerton University Hospital

Police

Wiltshire Constabulary

West Midlands Police

Pharmaceuticals/ Biotech

Glaxo Smithkline

AstraZenica

Napp Pharmaceuticals

Elan

Delta Biotechnology (Novozymes)

Cardinal Health

MedImmune

William Ranson & Son

Patheon

Catalent Pharma Solutions

Elga Labwater

Biochrom

Penn Pharma

Serologicals (Millipore)