

Cereal Probe Case Study



Carrs

Carrs Flour Mills Ltd (CFML) undertook three Cereals PROBE workshops, funded by the Cereals Industry Forum in January, March and April of 2006.

Duncan Monroe is Managing Director at CFML, based in Carlisle and led the implementation of the Cereals PROBE series of workshops within the business.

Why PROBE? Duncan Monroe explains:

"At Carrs we are always looking for ways to improve the business, particularly in terms of customer service. Manufacturing businesses can become slightly blinkered in terms of their

unrelenting focus on the products and product quality. Obviously we care hugely about flour quality at Carr's but we were also keen to take the chance to build on other aspects of the

business that matter to customers such as service quality. We want to be regarded as an excellent company to deal with, in addition to a company that provides excellent products."



The PROBE Experience

CFML acquired two additional flour milling sites (Greens Flour & Hutchisons Flour) in 2004. Following the initial integration, the business was keen that the three mills should have some shared objectives.

A benchmark was undertaken at each of the three sites; Greens

Flour Mill in Essex, Carrs Flour in Silloth and Hutchisons Flour in Scotland, over a period of 4 months. Each of the sites completed the benchmark with the same PROBE facilitator for consistency and subsequently went through the action planning process.

"The site managers were initially sceptical as no-one really likes being subjected to a dose of critical self-analysis, but after the initial success of the first benchmark at the Greens site in Essex, it was these very managers themselves that began to drive the process within the company,

based on the positive feedback from the team at Greens."

"The workshops and action planning sessions turned out to be very constructive exercises and the initial reservations about the process did not materialise among the staff. Participants actually enjoyed it!"

Business Planning from PROBE

Initially the company looked to focus on the shared weaknesses that were apparent across the 3 sites; namely reinforcing challenging standards within the company and sharing these with employees and customers alike. These standards then fed an improved approach to performance management, which was also identified as an area for improvement.

"We have identified 10 Key Performance Indicators (KPI's) that are relevant across the 3

sites, the majority of which are customer facing, and we are now measuring our businesses against these KPI's. The subsequent data collection will enable us to gain a more thorough understanding of the business, rather than just relying on financial measures."

"These revised targets and objectives will benefit the company by giving employees a better understanding of how they as individuals can contribute to the

improved performance of the company."

"The adherence to these KPI's is reinforced by the fact that it was the team members themselves, through their active and enthusiastic participation in the PROBE workshops and subsequent action planning sessions, that agreed on the areas for improvement and how, through relevant KPI's these might be tackled."

"As a business, it is critical that we strive towards achieving best practice, as defined in the PROBE world class excellence model, in terms of performance management. We need to be constantly proving to ourselves and to our stakeholders that we are performing on a range of business measures that go beyond mere finances and deal with manufacturing performance and important aspects of customer service."

Building on Strengths within Carrs group of companies

Across the 3 organisations, it was clear that each had a proven track record in supplying quality products to their distinct markets. This was shown in the analysis of the benchmarking results for the 3 sites

with each site sharing identified strengths in quality procedures and frameworks. Multiple sites were also shown to be performing well in customer relations and customer retention.

"It is clear to us from the PROBE exercise that there are a number of key strengths across the three mills which we will definitely be looking to maintain as critical to our business success. We

perform well in providing high quality products in line with customer expectations and retain a high degree of loyalty from customers and suppliers."

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“We also scored strongly on the issue of improving all aspects of the business and it is as a result of this philosophy that we are looking to work not only on our weaker areas, but also to build on

our strengths to reinforce our position as market leaders.”

“Future improvement programmes will look to take advantage of the internal

benchmarking aspects of the project. Some sites scored issues such as exploiting new ideas and inventory turns as strengths whilst they came up as weaknesses in other sites.

The spread of what we now can consider internal best practice will undoubtedly come up in future action planning sessions within the company.”

Why PROBE worked for Carr’s

Green’s Flour, Carr’s Flour and Hutchison’s Flour were able to successfully bring together teams from their sites that represented an accurate cross section of the business.

The teams included not only senior management staff, but also junior administration staff as well. The

company was also careful to ensure that all aspects of business operations were represented, such as finance, sales, distribution and manufacturing, to give the clearest snapshot of the organisation to feed into the benchmarking programme.

“Each of the teams bought into the exercise with much enthusiasm.

By its very nature the programme encourages constructive self analysis which each of the teams handled particularly well.”

“One could scarcely believe that such a largely self critical process could be so productive for all team members and that the teams would get so much enjoyment from the process.”

“We have identified areas which matter to customers where we know we can do better. As the workshops progressed, we introduced cross-site teams and this undoubtedly achieved one of our initial objectives, to find an initiative that the three mills could work on together. This has spilt over into other areas of the business. The informal links between the sites are much stronger.”

What is PROBE?

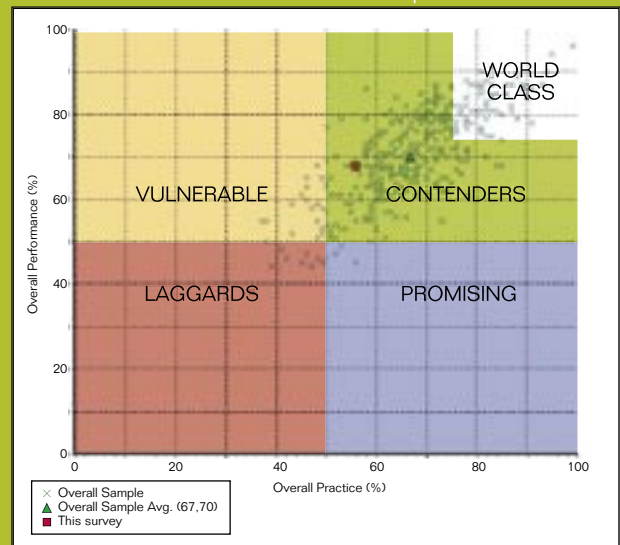
Cereals PROBE methodology has its roots in research on world-class manufacturing and service quality, led by IBM Consulting Ltd (UK) and London Business School. The PROBE database contains over 6000 individual site benchmarks from 32 countries across a wide range of sectors.

Cereals PROBE is based on a generic model of ‘best practice’, which is presented to the team in the form of a questionnaire. Comparison against the generic model and those companies on our database are shown in practice and performance terms. An example of the practice performance competitive positioning chart is shown here. All data is kept strictly confidential and the graph represents an anonymous example.

Strengths and opportunities for improvement are identified across a spectrum of the organisation’s activities. Every aspect of the business is covered:

- from understanding the needs of service users, to measuring their satisfaction
- from service design to the operational processes of day-to-day service delivery
- from leadership styles and strategy development to people development and the measurement of staff satisfaction
- Material Processing in the Cereals Industry
- New Product Development in the Cereals Industry.

Test. UK, 14/03/2006
Overall Practice vs Overall Performance: (56,68)
(relative to overall sample)



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