

## Client Case Study – Construction Industry Efficiency & Turnover Improvements

### Background and Problem

The company operates from two locations in the British Isles, importing items for the construction industry at the luxury end of the market. The operation in the South East of England had half the number of staff as the other operation, but only managed to achieve one quarter of the turnover. Previous attempts to determine the cause of this anomaly had failed and whenever the MD looked at the SE operation, all the staff were busy working on client quotations.

### Actions Taken

An advisor from PCE Systems started working with the company in January 2003 on a “Business Support Program” as pioneered by the Institute for Independent Business. This involves spending typically two days per month with the company on whatever issues the company faces. One of the early actions taken was a “Brown Paper Analysis”, which looks at the procedures in place within the organisation.

Copies of all the standard forms and documents were collected and stuck on to a large roll of brown paper (as used by shopkeepers in earlier times to wrap purchases). These forms were linked together to form a flow diagram showing how enquiries were processed through the company right up to post-sale customer care. The MD examined the result and agreed after a few minor changes that the analysis portrayed the process reasonably accurately. Next, the staff were invited to look at the document and were asked go through it 3 times:

1. Firstly to agree that the document reflected reality.
2. Secondly to suggest improvements that could be made.
3. Finally to hear ideas previously listed by the advisor.

In the first run through, it rapidly became obvious that no one used the official procedures, which had proved inefficient and unworkable. Everyone had developed his or her own variations. The 2<sup>nd</sup> and 3<sup>rd</sup> runs resulted in a total of 28 constructive suggestions, which were used as a basis for a new set of procedures and processes that were grouped together so that they could be implemented in phases.

### The Result

Over a period of time, the new procedures were put in place and where appropriate refined in the light of further staff suggestions. The staff were happy with the result, because the new procedures incorporated their own ideas on how things should be done.

**The MD was also pleased since the turnover in the second half of the year rose to twice that achieved in the first half of the year!**