

Manufacturing Productivity Framework

Steps for businesses to take



■ Leadership and ambition

- Set a clear vision and strategic direction through an inclusive approach.
- Clearly articulate the need to change.
- Ensure the vision and need to change is connected to the customer.
- Align effort from top to bottom.
- Clearly demonstrate how better productivity is better for staff, including in improving the workplace environment.
- Define performance standards – focus on the vital few – control and then improve.
- Develop and empower leaders at all levels to be effective problem solvers able to coach continuous improvement skills and techniques.
- Invest in leadership development and behaviours.
- Achieve change through people and culture.
- Track progress in a proportionate way understandable by the workforce.
- Drive a business wide culture of empowerment, encouragement and relentless continuous improvement.
- Create an organisation that is obsessed with targeted process productivity to deliver the required outcome
- Incorporate best practice and quality systems from an early stage.

■ Structural support policy: Steps for industry

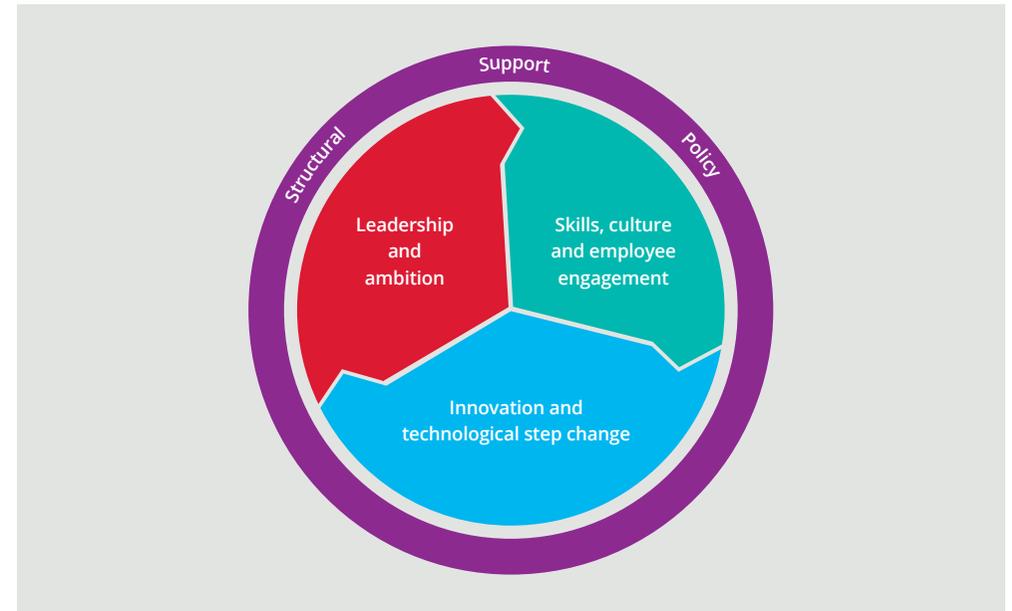
- Look around the marketplace for good practice, and engage with others who you can learn from.
- Improve awareness of support schemes for manufacturers, and how to access them (e.g. tax credits, Catapult centres, development grants).
- Make use of financial products and access to finance, including export finance.
- Participate in strong ecosystem for engagement of companies in innovation (e.g. Catapults, business networks).
- Encourage large companies to mentor and develop the capability of SME's in their operating locality and supply chains and recognise the benefits of this.

■ Innovation and technological step change

- Ensure that underlying processes are robust before considering automation; new technology introduction requires management.
- Look for significant cost optimisation opportunities in manufacturing processes and invest in production technology.
- Take a longer term view of investment in product development and production.
- Design products for automation (even if automation is not implemented).
- Design products for productivity – late stage customisation.
- Design new manufacturing lines for flexibility without losing productivity.
- Optimise management of supply chains.
- Develop a culture of embracing new technologies quickly with confidence.
- Drive uptake of innovation/R&D in collaboration with universities/catapults/suppliers/customers etc.
- Consider continuous business model innovation across the entire value chain.

■ Skills, culture and employee engagement

- Develop the skills of both existing staff and new talent as part of systematic workforce planning.
- Develop the capability (skills and techniques), mindset and behaviours associated with the use of LEAN tools and techniques.
- Lead significant culture change programmes with a high level of engagement, recognising that culture change takes time to take root, requires behavioural change at all levels of the organisation and requires constant attention.
- Behaviours at all levels demonstrate the company values.
- Expect that process improvements can be identified and delivered by an empowered workforce from the bottom up, including reducing variation of processes and building in quality at the root.



- Develop a high focus on benchmarking/external awards e.g. BQF (EFQM), best factory awards etc.
 - Celebrate successes of all sizes through an appropriate recognition/reward system.
 - Form true partnerships with suppliers.
 - Bring employee representatives on the journey – including national bodies as required.
 - Recognise the need to treat investment.
- ### ■ Structural support policy: Steps for government
- Provide long term policy consistency for industry.
 - Ensure support schemes make it easy to take up new technologies and to export.
 - Ensure that infrastructure keeps pace with requirements.
 - Ensure education and skills systems (knowledge and people) will meet future needs.

- Improve tax treatment of R&D and capital investment to encourage growth and investment.
- Provide financial products & access to finance.
- Maintain a strong ecosystem for engagement of companies in innovation (e.g. Catapults).
- Maintain effective SME support with development finance and export help.
- Clear and, proportionate and accessible legislative framework.
- Deliver advisory services for growing companies with respect to local environmental issues.

How good is your business really?