

# International Congress “Life’s Quality & Competitivity”

20<sup>th</sup> /21<sup>st</sup> February 2008

Madrid

# “Flexible Working as a Business Improvement Tool”

Ian Greenaway

Managing Director

MTM Products Limited

# Who are MTM Products?

- A small company based in Chesterfield
- Established in 1976
- Manufacturer of labels, nameplates, vinyl graphics and emergency lighting signage
- 52 employees including 14 part time
- Annual sales 2006/7 £2.08m

# MTM Products - Standards

- Recognised as an Investor in People
- ISO9001:2000 QMS
- ISO14001 EMS
- UK Employer of the Year (Small organisations) 2001
- IUKE Health & Safety Host Site 2003
- Onsite Insight Host Site 2007/2008
- Committed to Investors in Excellence Standard

# The MTM Journey 1996 - 2008

- 1996
  - Struggling to break even
  - Losing customers faster than gaining new ones
  - Low morale
  - Poor flexibility
- 2008
  - Sales 400% up on 1996
  - Profit in upper quartile for industry sector
  - High morale, low staff turnover & absenteeism
  - Good customer retention & development of new business
  - Flexible workforce

# Company Aspirations

- To be recognised by our customers as a “customer driven” company
- To be a “world class” company
- To be profitable and make a good return on investment
- To grow at a sustainable rate
- To be considered as an “employer of choice”
- To be trusted by all our stakeholders

# Integrated Approach

- Continuous business improvement is dependent on an integrated approach to
  - Financial Control
  - Sales /Marketing strategy and customer focus
  - Operations Management
  - Total Quality Management
  - Health & Safety/Environmental Management
  - HR Policy
  - *Common denominator – people!*

# Relationship between Employer and Employee

- Who is in charge?
- Do we measure on presenteeism or output?
- Do we employ a third of a person or a whole person a third of the time?
- Are employees a cost or an asset to the organisation?
- Is there mutual trust?

# Needs and Aspirations

- Needs and aspirations change throughout our lives.
- Balance between needs and aspirations of employees and requirement to run an efficient customer driven organisation.
- Recognition by employers that employees also have a life and commitments outside work.

# Values

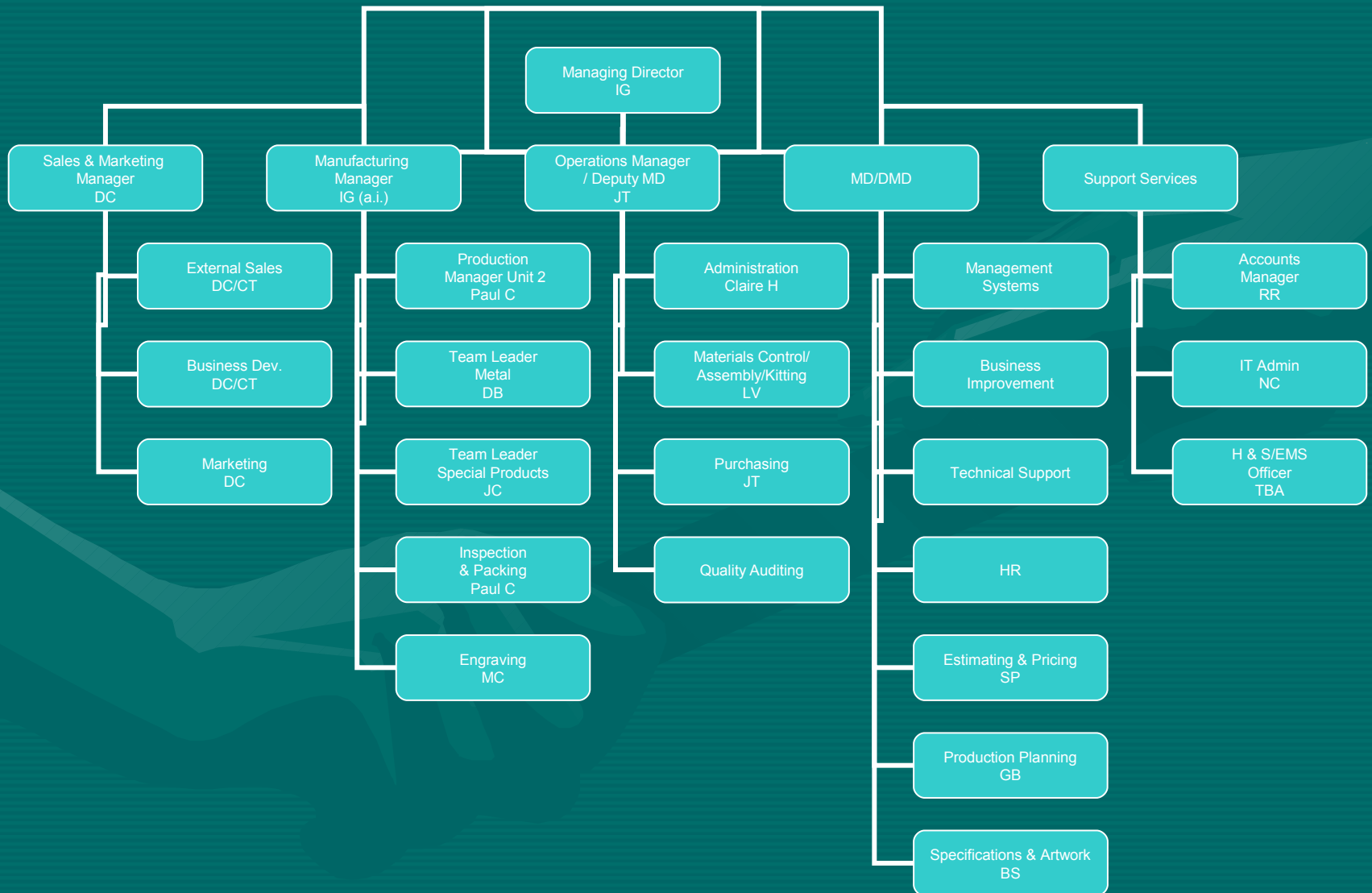
- We are committed to *continuously improving* the processes and competencies within the company.
- We are committed to being a “*customer driven*” organisation.
- We want to be perceived by our customers as a valued partner offering innovative solutions.
- We will always *act fairly and honestly* towards all stakeholders in the business i.e. employees, shareholders, customers, suppliers and the community at large.
- We are committed to *training and developing our employees* to their full potential to meet the current and future needs of the business, and to getting a *best match between their needs and aspirations and business objectives*.
- *We believe that mutual trust between management and employees is essential to the success of the business.*

# MTM Commitment to Employees

- MTM Products is recognised as an Investor in People and believes that its people are its greatest asset.
- The company makes every attempt to balance the needs and aspirations of its employees with the needs of the business. To this end, the company is committed to training and developing employees to their full potential, and to adopting Work-Life Balance policies that recognise that employees also have a life and commitments outside work, which have to be balanced against the needs of running an efficient business. The company strongly encourages multi-skilling of employees, which provides variety of work and assists the company in accommodating requests for changes of work pattern.
- The company believes that responsibility and authority for decision-making should be delegated as far as possible to enhance employee motivation and minimise delay in taking action.
- Employees are encouraged to be innovative.

# MTM Management Structure

## October 2007



# Business Improvement through people

- MTM do not believe it is possible to give good customer service without a well motivated and trained workforce?
- We do not believe continuous improvement can be sustained without engaging the brains of all employees, not just the Managers?

# Key features of Job Satisfaction

- Mentally challenging work
  - Opportunities to use skills, task variety, performance feedback, degree of autonomy
- Rewards
  - Fairness and justice, opportunities for realising higher aspirations
- Supportive working conditions
  - Working environment, hours of work etc. that respect social and family considerations

# Key features of Job Satisfaction

- Motivation
  - The major factor determining individual and group behaviour at all levels of the organisation
- Job Design
  - Job rotation
  - Job enrichment

# HR Philosophy at MTM

- Training & Development
  - Commitment to training and developing all employees
  - Responsibility for career development is a joint one between employer and employee
  - Equal opportunities for training and promotion for full and part time employees
  - Minimum of three people trained up to do any job

# HR Philosophy at MTM

- Involvement
  - Briefing sessions
  - Appraisals
  - Brainstorming
  - Devolved authority
  - Encouragement for innovation
  - Listening
  - Profit sharing
  - *TRUST*

# HR Philosophy at MTM

- Motivation
  - Provide quality training
  - Treat people as an asset not a cost
  - Delegate responsibility and authority
  - Involve employees in formulation & execution of plans
  - Listen to employees' ideas and concerns
  - Encourage innovation and continuous improvement – accept learning through mistakes

# HR Philosophy at MTM

- Dual Agenda
  - When making changes to processes or organisational structure look at ways of benefiting both employees and the organisation.
- Work Life Integration
  - Work is an integral and important part of most people's lives offering opportunities for self-fulfilment and recognition

# Work Related Stress

- Job satisfaction and work related stress – “two sides of the same coin”
- Organisations have a responsibility for both the physical and mental well being of employees.
- A long hours culture and other conflicts between work and private life can cause stress. MTM recognise the needs of individual employees and do not encourage systematic overtime.
- MTM have a Mental Health at Work policy which aims to minimise the risk of work related stress.

# Flexible Working at MTM

- Link between multi-skilling and flexible working arrangements
- Obligation on both company and individual to find mutually acceptable solution
- Recognition that needs for flexible working arrangements will change over time
- Flexible working is a “two way street”

# Working Patterns at MTM

- New Employees
  - Mutually acceptable working patterns discussed at interview
- Existing Employees
  - Requests for changes accommodated whenever possible regardless of reason, provided business needs are still met
  - Discuss with colleagues first to find a solution acceptable to all of them and that meets business needs

# Flexible Working Practices at MTM

- Part time working
- Variable part time working
- Term time working
- Home working
- Variety of full time patterns
- Positive approach to time off for dependents
- Signposting to outside agencies

# Flexible Working Practices at MTM

- Subsidised membership of fitness centre
- Membership of Westfield Health Scheme
- Elimination of systematic overtime
  - Reward people for what they achieve, not how long they are at work
  - Long hours do not equate to higher output
  - Ensure remuneration package encourages efficient working not long hours

## Benefits to MTM

- Improved profitability and customer service
- Retention of skills
- Well motivated work force
- Low staff turnover and absenteeism
- Improved cover for sickness and holidays
- Extended week on key plant
- Diverse work force with “can do” attitude

# Visitor Comments

- You are made to feel welcome by everybody as soon as you walk through the door at MTM
- Everybody is smiling
- There is a real “buzz” about the place
- There is something a bit different about MTM
- An innovative company

## What next?

- MTM is committed to achieving the Investors in Excellence Standard which is based on the EFQM Model.
- MTM have a five year plan in which we intend to grow sales from £2m to £3.5m.
- MTM have invested heavily in additional manufacturing facilities and plant, particularly in the last 18 months.
- MTM will continue to invest in its people by offering quality training & development opportunities, respecting individual needs and aspirations and offering a happy and sustainable working environment.