

## PRODUCTION AT BULMERS RESPONSIVE TO SEASONAL DEMAND

### Introduction

Differing seasonal requirements are prevalent at Bulmers, the world's largest cidemaker, producing the brands Strongbow, Woodpecker and Scrumpy Jack. Therefore, production at the 70-acre single site operation must respond to over and under capacity, utilising the 450-strong workforce. Through undergoing a process of evaluation, recommendations and implementation, Pasfield Curran optimised the shift scheduling to cope with fluctuation in requirements at the Scottish Courage Group company, improving absence and rationalising product lines in the process.

"Production is now responsive to demand," says Jon Evans, Production Director, Bulmers. "We have eliminated overtime and achieved substantial cost savings."

### Assessing key issues

In order to obtain a comprehensive understanding of Bulmers' working practices, Pasfield Curran undertook an evaluation of the Herefordshire site's day-to-day and seasonal productivity and performance.

Pasfield Curran worked on site alongside the project team and undertook a comprehensive analysis of data throughout the four seasons, which encompassed periods of over and under capacity. Fluctuations in demand were highlighted in graphical form, portraying the height of demand throughout the festive season and summer months.

This process raised a number of key issues associated with a workforce overmanned in some departments, working within an expensive overtime culture, to few incentives and with complex and



inflexible working practices. Holidays were also being booked with little regard to production demands. Despite the paternalistic approach of the business, the contentment of the workforce did not follow.

The functional based teams had set 3 x 8 hour shift patterns, Monday – Friday, working within different structures, shift patterns and rates of pay. The structure failed to take into account fluctuations in demand.

The perception by senior management was that activity on the shop floor was high. In reality this was due to poor working practices, resulting in a panic mentality, poor processes, and employees working within their comfort zone. The desire to complete tasks, by some, was overshadowed by the desire for overtime, pushing overall employee earnings above the benchmark and rewarding employees for wrong behaviour.

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Moreover, there was poor capability and commitment from some line management, who did not see their role as a coach or developer due to historical lack of process adherence, engendering a lack of confidence and trust from the workforce. The issue stemmed from an insufficient time allocation to training processes.

### **Recommendations**

Pasfield Curran recommended a review of shift modelling and the introduction of annualised hours contracts. This process would increase labour flexibility, reduce manning levels in some departments, and modernise policies and procedures. It was further recommended that the pay structure should be simplified and, within the employees' annualised hours scheme, should be a bank of reserve hours. Significantly, implementing these new working practices would eliminate overtime and bring shift patterns in line with demand.

The key fundamental objective was to enable a cultural change, where people have incentives, improving the business performance.

### **Negotiations to improve shift modelling**

Maintaining good lines of communications with the Union throughout, Pasfield Curran worked with a team from Bulmers, including a designated Project Manager, to negotiate the most effective way to achieve the recommendations.

There was a process of analysis and negotiations as to the specific amount of employees required in each section throughout the seasons, and the specific personnel required in each of the departments at the Herefordshire site, namely: cider production, packaging and warehousing. Throughout the negotiations there was a continual focus on maintaining high quality standards and flow of production.

## Case Study **Bulmers**

### **Improved working practices**

Implementing Pasfield Curran's recommendations now ensures Bulmers' production is responsive to demand. Working practices have benefited, as has the focus and productivity of the workforce.

"We have restructured teams and skills to reflect the true work content as defined by task analysis," states Evans. "We are now coping with very high peaks in the summer.

"The new mind-set has improved packaging plant reliability, and we now have greater certainty in meeting our high customer service levels."

Implementing the new measures has reduced total employee hours, and eliminated overtime, rewarding Bulmers with cost savings and providing the company with a substantial return on investment. Moreover, Bulmers are now able to offer improved training schemes, maintain continuous development of personnel throughout the company, and build greater relationships between teams and management. Employees are now contracted to work weekends, but are motivated by the possibility of not having to work all the hours they are paid for.

As the company recognises the TGWU, it was important to maintain a good relationship with the Union throughout the process. The lines of communication remained open, and now both parties look forward to annual reviews of working practices.



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