

## PASFIELD CURRAN IMPROVES WORKING PRACTICES AT SMITH & NEPHEW EXTRUDED FILM

### Introduction

Pasfield Curran has improved the working practices at Smith & Nephew Extruded Film, benefiting employees and management alike. Focus is now on productivity and performance at the Yorkshire site, with a rejuvenated workforce now flexible and responsive, proving able to cope with fluctuations in demand.

“What we are achieving is almost unbelievable,” states Karl Douglas, General Manager, Smith & Nephew Extruded Film. “We have seen our natural collaborative approach between staff and management flourish.”

### Discontent with previous working practices

As a specialist satellite factory for the major blue chip medical equipment supplier, fluctuations in demand are prevalent at Smith & Nephew Extruded Film. Coping with variations in requirement amidst poor working practices was a previous cause of unrest at the company, at both employee and management level.

“Discontent with our ways of working in the factory, in both management and staff, had been building for a long time,” comments Douglas. “Staff were being asked to work overtime at short notice, and the plan was changing frequently as sales orders were pulled forward to cover late production elsewhere.

“Along side this, we were losing people to local factories who offered higher fixed pay for higher hours.”

Furthermore, sub-optimal working practices were having an impact on management, whose focus was distracted from management tasks to the re-scheduling of the workforce. Order completion often required extended working hours, which spiralled overtime costs.

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“Management were spending a huge proportion of their time re-organising shift rotas as the plan changed and persuading people to work different hours,” says Douglas. “Senior management were constantly frustrated at the unreliability of the factory and the huge costs associated with overtime.”

As they were unable to utilise periods of labour over-capacity, training the 50-strong workforce was limited, as Douglas explains: “Training and development had long been forgotten. As people were not getting trained above the basics, flexibility was actually decreasing.

“Waste was high, the factory was fed up with the push, senior management were fed up with the cost, and the rest of the business was fed up with missed promises.”

### **Addressing the issues**

Inspired by a Pasfield Curran seminar, senior management at Smith & Nephew Extruded Film decided to address the fundamental issues with their working practices by interacting with the workforce and enabling employees to voice their concerns. The company then engaged with Pasfield Curran to work through the problems.

Having obtained a comprehensive understanding of the business requirements, Pasfield Curran proposed the introduction of flexible annualised hours contracts. The new measures would enable the workforce to cope with over and under capacity, and make time for training and development. The recommendations also addressed low pay issues, and eliminated overtime.

The new proposals were put to a vote at the Yorkshire site, achieving 76% in favour.

### **Implementing flexible annualised hours**

With effort and collaboration from both parties, the new working practices were successfully implemented.

Under the new scheme, working practices have flourished. The company now benefits from maintaining a happier workforce, at shop floor and management level, in a less stressful environment, and with more competitive pay. Numerous cost savings have resulted from reduced waste, increased operating efficiencies, and eliminated overtime, providing the company with a significant return on investment.

"Waste has been reduced dramatically, and operating efficiencies are up by around 10% across the board," states Douglas. "We have killed the period end push and we have lower staff turnover. Management are totally committed to this less stressful way of working, and since introducing flexible annualised hours our factory employees have had most Fridays off."

Additionally, introducing flexible annualised hours has generated opportunities for increased training, set aside from production time, and more opportunities for trial and sample periods. Douglas explains: "The rest of the business has also noted a major difference in reliability, and increased flexibility to include trial and sample periods to generate additional business."

The flexibility of the new scheme has seen quality standards increase, as work has been redesigned around skill presence at the factory, giving tasks to the right people present at the right time. There is a higher level of communication throughout the site, and greater understanding of the business overall.

### **A brighter future**

Smith & Nephew Extruded film have continued to develop their working practices, motivated by continuing their high level of success.

"We have already improved the scheme for employees and seen our results improve still further," says Douglas.

Galvanised by the successful impact of the new measures, Douglas expects a similar view of the new scheme to run throughout the company:

"I would seriously hope now that if we were to vote on keeping the scheme or going back to our old ways, it would be virtually 100% to keep it!"



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