

ValueMetrics Performance Management Case Study

Streamlined and focused approach for greater performance improvement

Company Overview

Industry Sector: Manufacturer of high quality products worldwide

Employees: 50,000

Sales: £2billion turnover

Business Challenges

■ Financial loss and limited growth

The company was experiencing financial loss, loss of market share and limited growth as their measurement focus at that time was solely on the financial metrics

■ 'Flying Blind'

Without clear strategic objectives their go to market strategy and product lifecycle activity was weak, they had no previous metrics in place to understand how well their products were performing and no benchmark, past experience or best practice to work from

■ Lack of clarity and visibility

The company excelled at engineering and product manufacturing but lacked clarity over their target markets and management processes and lacked any visibility over their customer service level

■ Ineffective and unfocused measures

With the absence of a strong measurement system any metrics that were measured were in the wrong areas and lacked focus. Focusing on routine financial measures and not measures that would differentiate them from the competition meant that they were never in a position to reach the next level

Solution

■ Strategy analysis and review

During the three months that the project took place we worked with the company in addressing their overall strategy by diagnostic of the company's strengths, weaknesses, opportunities and threats

■ Performance Management Methodology

Using our Performance Management Methodology we identified the key value drivers that would determine the key metrics to measure in line with the new strategic objectives

■ Focused measurement

For the first time we introduced them to customer and process measurement and ensured the measurement of key metrics covered all areas of the business, not just financial

■ Balanced Scorecard design and implementation

With the new focused measures we then produced and implemented a Balanced Scorecard to populate and provide visibility of these metrics for informed and accurate decision making

■ Skills and knowledge transfer workshops

We provided key personnel with skills and knowledge transfer workshops including a succession plan to work towards, enabling them to continue performance improvement in line with our Performance Measurement Methodology and use of Balanced Scorecards

Benefits

■ Focused performance improvement

Through the strategy analysis review we were able to identify where the shortfalls of the business were through understanding the customer and competitor threats and positioning. From this information we were able to then identify the right metrics to focus on to get them back on track

■ Improved profitability and shareholder value

Through focusing on measurement within the customer service area they were able to identify issues and implement changes for improved service levels which in turn increased profitability and improved shareholder value

■ Increased customer satisfaction

Instead of solely focusing on what the company was good at, we directed their focus to customer service management, resulting in improved changes towards customer handling and reduced time from order to receipt

■ Streamlined approach towards achieving strategic objectives

Once the strategic objectives were in place we were able to streamline current processes, identify metrics and communicate these to the organisation resulting in a collaborative approach from employees towards target achievement

Why ValueMetrics?

ValueMetrics has over 10 years' experience in helping organisations reach optimum performance excellence by aligning operational activity with strategic objectives across all business units including the supply chain and operational areas.

By combining our methodology, processes and software tools delivered with business insight and expertise we enable organisations to achieve better results faster through sustainable performance improvement.