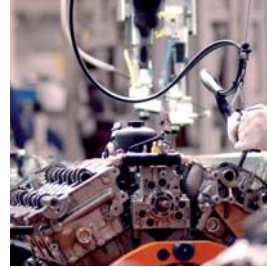
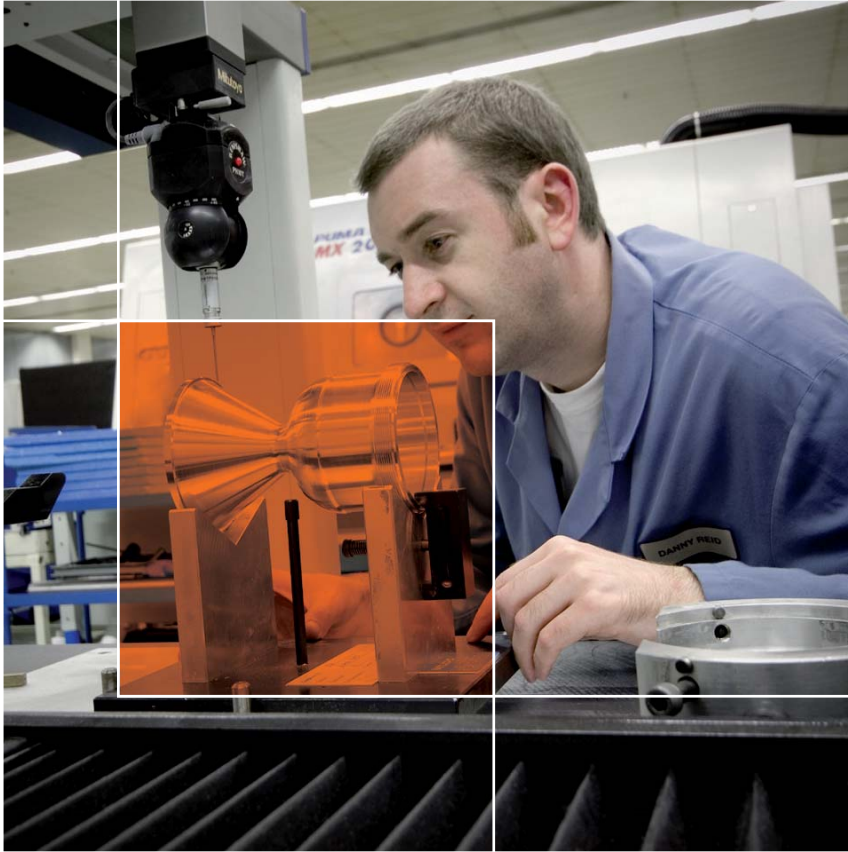


# CASE STUDY

## BRANDAUER



Brandauer is a fifth generation, family-owned business founded in 1862. Up to the late 90s, the company had been relatively successful, but lack of investment, old fashioned premises and weak leadership had seen it go into rapid decline. It wasn't until 2001, when David Spears became managing director, that things began to turnaround. Spears has been with the company, albeit with a few career progression breaks, since 1971 when he started as an apprentice toolmaker.

To Spears, success depended on two things. Firstly, he needed to move forward with the right people. Secondly, he needed to significantly change working practices and to change the culture of the organisation. Early on, this involved making redundancies, sometimes having to let someone go who had shown him his trade as an apprentice.

"I see it as a challenge if a company is performing badly. We were losing money, we were in a situation and the only question in my mind at that time was 'How are we going to get out of this?', says Spears. "I am passionate about this company and really felt that it deserved better."

**David Spears**  
Managing Director

**A commitment to learning, visionary leadership and open communications has seen precision pressings specialist, Brandauer, move from the brink of bankruptcy to the best annual performance for 145 years.**

At the end of 2002, the telecoms sector virtually collapsed and precision pressings company, Brandauer, was £1.6 million in debt and experiencing an annual loss of £512,000. Five years later the company was delivering a record £710,000 of profit and had seen sales grow by more than 40%. The presswork industry is highly competitive and competition from global players is particularly fierce. Nevertheless, Brandauer achieved unprecedented levels of customer satisfaction and kept a highly productive, engaged and committed workforce at a time when very little investment was available.

### Skilling Up

To Spears, the most important task was to identify and retain the best people. "If I employ someone I expect them to be able to do the job and do it well. A lot of companies suffer from a workforce that isn't actually skilled to do the job. They make a lot of assumptions about people." Spears identified a shortfall in skills and competencies required to ensure Brandauer would become world-class in its sector and a compulsory NVQ programme was introduced for everyone in the business.

Whilst there was resistance to this, once everyone had achieved Level 2 there was a rush for more learning. "I saw the Level 2 qualification as a base to build on and it was the only one that was compulsory, but after that I was deluged with 'What's next?' People were hungry for learning and 45 signed up for Level 3 immediately. The benefits of a formerly recognised qualification, coupled with the recognition that came with it, were enormous.

## Getting Close to Customers

From the start of his tenure, Spears quickly saw that Brandauer was out of touch with its customers and that the company needed to develop a more bespoke offering to satisfy customers' needs.

He introduced a customer satisfaction programme. Each year, the managing director meets with customers face to face, travelling to their sites to facilitate open and honest discussion. "In the early days this was difficult and quite hard to take, but we listened and we made improvements. Now, our results are excellent and over 90% of our customers would recommend us," comments Spears.

## Cultural Change

In order to reinvent the company, Spears had to create the leadership vision and drive a lot of changes through quickly. This involved changing working practices and putting in lots of new processes and procedures – including Lean Manufacturing initiatives such as the Five S System, Right first Time, Toyota's T Card System and Overall Equipment Efficiency. "It was a cultural shock but I believed in what I was doing and that's what got me through. I didn't win many friends in the beginning, but I knew the competition inside out. I knew the market, I knew the customers and I truly believed that I knew what was right for this business. I wanted Brandauer to be the best at what it was doing."

One of the biggest cultural barriers to learning and change was that of silo mentality. People simply didn't understand each others' issues. For example the commercial department did not understand the effects their actions had on set up or production.

So cross functional working and project teams became a big part of the picture early on in both Lean Manufacturing and the training programmes. People from diverse departments would work together on problems and issues to find a mutually suitable solution.

## Communicating for Change

When Spears launched his five year plan in 2001, there was no formal communication in the company which meant that the grapevine was rampant. By using diverse yet simple channels for communication and repeating messages to ensure the communication got through, the changes were more readily accepted and less resistance was met.

"I wanted change to happen naturally to some extent," says Spears. "I didn't want to force it through at the expense of losing commitment. Our philosophy, from the beginning, was to tell people what we were going to do and why we had to do it. We would do it and then remind them what we were doing and after we had done it we would remind them what we had done. Whilst this meant that sometimes it would take longer to achieve change, we got a good balance between speed of change and commitment and satisfaction of the workforce."



## Brandauer Factfile

- One of the largest contract presswork companies in Europe, offering precision metal components and consistent technical solutions to customers throughout the world.
- Founded over 140 years ago, still based in Birmingham and now has an annual turnover of over £8.5m.
- 95% of tooling made in-house, all manufacturing is done in the UK.