



A Learning Network Case Study

Background:

In common with many manufacturing sectors, the ceramic industry is undergoing significant restructuring to adapt to the challenges of modern global competition. This case study shows how a group of companies in the West Midlands have responded by focussing on the skills of their employees and on business driven workforce development. The University on the Shopfloor is a three year project designed to develop a ceramic industry learning network which will meet strategic commercial needs by improving skills and flexibility at all levels in the industry. The project has been funded by the Regional Development Agency for the West Midlands – AWM, with the contribution of project management expertise from DfES. The experience gained in building the network has resulted in the definition of a learning network model which can be utilised across the ceramic industry, and by groups of companies in other sectors. It features an employer led partnership utilising an IT facilitated support structure. There has been a clear and quantifiable return on the investment of the funding agency and employers, even during the pilot phase of the project.

Details:

In 2002 the ceramic industry's national training organisation, the Association for Ceramic Training and Development (ACTD) initiated a research project to establish the skills and learning needs in the industry. The resulting Workforce Development Plan identified the need to upskill the workforce across all levels – from basic skills to senior management. The plan was discussed and agreed with CATU, the trade union for the industry. There was general agreement that a combination of new technology and highly skilled employees is essential if the ceramic industry is to compete successfully in national and global markets.

ACTD recognised the need for a radically new approach to employee development, since traditional classroom based “off the job” training was not meeting industry needs. Equally, “on the job” training which focussed on “sitting by Nellie” was not capable of responding to rapidly changing technology. A collaborative and collective approach would enable more cost effective and flexible means of delivering learning. The ability to share knowledge and expertise would improve the knowledge base throughout the industry.

This was the first time an attempt had been made to establish a learning network across a range of companies in an industry. External advice and consultancy support would be essential and ACTD sought leading edge expertise from both the private and public sector. Unipart Advanced Learning Systems (part of the Unipart Group) had a powerful track record in supporting the creation of practical, business based learning networks. DfES had shown, with their internal “Learning Gateway” how advanced IT technology could be used to facilitate and encourage workplace learning.

After close scrutiny of the detailed proposal, AWM contracted with the Ceramic Industry Forum (CIF) for the delivery of the project. As a DTI supported industry body, CIF would be able to manage the interface between ACTD, UALS, DfES and other potential stakeholders including LSC and, most importantly, companies within the industry.

The three year University on the Shopfloor project to build the learning network commenced in March 2003. The first phase of the project began by enrolling six pilot companies based in Stoke-on-Trent – Churchill China; Dudson; H&R Johnson; Portmeirion; Steelite International and Wedgwood. The project team created a unique learning programme to provide the industry with a framework for sharing knowledge, learning and best practice. There have been significant achievements in the design and delivery of new courses and new types of learning. Companies have shared courses and experience in a variety of practical business areas such as “Six Sigma” and Continuous Improvement techniques. Other courses have focused on raising the “soft” skills levels of managers, and building IT literacy throughout the industry workforce.

Achievements:

The project has recruited enthusiasts for learning and brought them together in a single cross-company network, regardless of position or grade. They promote skills development in their companies through partnership and networking, creating added value that is already being shared and replicated among new companies joining the network. By August 2005, the learning network has:-

- Enrolled 2,500 individual learners
- Delivered 85,000 hours of workplace learning
- Achieved 1,700 Learning Opportunities (completion by an individual of 30+ hrs of structured learning)
- Assisted 12 businesses with collaborative staff training and development
- Created 30 Continuous Improvement teams within participating companies

The £2.2 million investment from AWM up to April 2005 has already generated additional company training activities valued at over £2 million.

The establishment of an interactive e-learning portal (CILNweb) and the creation of learning centres in each company have put economical learner orientated programmes at the centre of the industry's long term training strategy. The CILNweb portal is proving central to the establishment of a sustainable learning network, allowing Training Managers to manage individuals' learning plans; to create their own learning materials; and to share good practice, including assessments of training providers. The initial development cost of the portal and its software was £400,000. It is expected that the ongoing cost of maintaining the portal will not exceed £20,000 per annum. When spread across the 30+ companies expected to be participating in the network by April 2006, this provides a high level of IT functionality at moderate cost.

Business Benefits:

Continuous Improvement teams have been central to the project's aim of demonstrating the financial benefits of a business driven learning network. Introducing CI teams has encouraged the sharing of information and retention of knowledge within and across companies. Functional divisions and "silos" have been broken down and flexible, multi-disciplinary problem solving techniques have been introduced. Teams are established on a rolling basis as part of a continuous programme to apply structured analytical techniques to business problems. There is no limit on the number of teams established within an individual company – they are set up as and when necessary to deal with real life business issues. The issues addressed range from increasing the effectiveness of a sales team, to improving the process for affixing handles to mugs. Whether measured in terms of sales per employee, or a reduction in reject rates, all these activities have had a demonstrable impact on the bottom line. The average saving or added value provided by each team has been at least £25,000. This represents a total saving of £750,000 for the six pilot companies in the first year – from CI teams alone. In future years the spreading use of CI teams within the pilot companies should generate savings in excess of £1 million per annum.

H&R Johnson tiles have been front runners in establishing Continuous Improvement teams. Their Deputy Managing Director, Dr. Roy Hodgkinson, summed up the benefits as follows:-

"In common with other employers participating in the University on the Shopfloor project, H&R Johnson has gained a range of benefits from collaboration, networking, and knowledge sharing. In particular, the Continuous Improvement tools provided by the project have led to quantifiable bottom line gains via cost savings and added value to the customer. Our CI teams have operated across the whole range of company functions and I estimate that employees efforts have contributed up to £500,000 savings to our operations in 2004/5."

Other University on the Shopfloor projects have also yielded positive gains. Providing skills and training in 5C, Waste Elimination, and Standardised Work, enabled Dudsons to tackle the three major quality problems in their Cup Shop production facility. The result has been a saving on one production line alone of £76,000 per annum, with the potential to increase that to ongoing savings of £690,000 pa once the techniques and lessons learnt are introduced on other lines.

Mark Dudson, Manufacturing Director of the company said:-

“The pilot cup team has been a great success, and the starting point for an extended programme in the production arena. The training the team and their managers have received has been structured well, and gives us a stable platform to develop the programme to other production departments.”

The Future:

The project will finish in March 2006. However, work is already underway to establish mechanisms and funding streams capable of sustaining the learning network and its IT learning portal in the long term. Central to this is the placing of business needs at the core of skills development and learning. Within the learning network model, the delivery mechanisms – classroom based training; distance learning; e-learning, are determined by the nature of the business driven content and the individual employee’s preferred learning style. The network is also establishing a quality assured training provider network and qualifications framework which will be recognised by relevant local and national funding agencies.

The Learning Network Model:

Building blocks for the learning network model have been identified and defined on the basis of CIF and ACTD experience gained during the course of the project. In addition a set of process maps have been compiled illustrating how similar learning networks could be established in other sectors or organisational groupings. The model is highly flexible and relies on three key elements.

- The clear identification of business needs to drive learning content.
- Allowing delivery mechanisms to be driven by the nature of the content and the needs of individuals and companies.
- Identifying “Islands of Success” within participating companies.

The model concentrates on a demand led approach, where employers determine the skills they need and how the workforce may acquire them most efficiently. By sharing this knowledge throughout the network employers can avoid the risk of reinventing wheels, and the risks associated with relying on external training providers to determine what skills should be delivered and how. This helps to maximise the effectiveness of investment in the skills of employees, and the return that can be obtained.

Building the network on the basis of collaboration between companies, CIF and ACTD has ensured that the process relates firmly to business realities, rather than theoretical, academically driven models. It also ensures that other groups of employers can benefit from the considerable up-front investment made by AWM and ceramic industry companies. The University on the Shopfloor model is ideally suited for replication in other sectors and company groupings. Advice and consultancy support is available from CIF who have a consistent record of helping companies boost productivity and competitiveness. For further information contact the CIF Chief Executive, Sue Evans. (sue@ceramicindustryforum.co.uk)

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