

## WH Smith & Sons (Tools) Ltd



A company fully committed to continuous improvement and constant investment in new technology, supported by a skilled and dedicated workforce, WH Smith & Sons (Tools) Ltd is built on strong foundations. However, the company was rocked by the loss of one of its largest clients when MG Rover collapsed. Instead of enforcing redundancies, it took a positive approach and provided its employees with opportunities to improve their skills and has already begun to reap the rewards.

### THE COMPANY

WH Smith & Sons Tools is a supplier of plastic injection moulded components, tooling, and assemblies to some of the world's top motor manufacturers including Toyota, Honda, Nissan and Bentley. Established in 1933, it is a progressive company with the ability to handle customer orders from component design through tool manufacture to moulding and assembly of components. Based in Minworth, Birmingham, it employs around 400 skilled employees and places strong emphasis on personal development through training and further education. It is accredited by Investors in People, ISO14001 and ISO18001, and TS16949.

### THE CHALLENGE

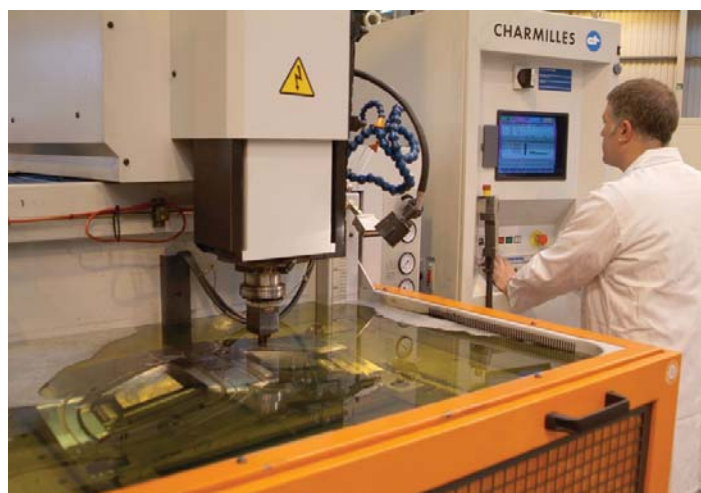
Along with many other suppliers in the West Midlands, WH Smith & Sons was hit hard by the collapse of MG Rover in the spring of 2005. A significant number of staff at the manufacturing company saw their job security threatened when MG Rover went into administration. The challenge was to provide these staff with the new skills necessary to help the company overcome the loss of a major customer and drive it forward in the highly competitive marketplace.

### THE TRAINING

WH Smith & Sons agreed to be the first company to take part in a unique new training scheme designed to help thousands of workers in the automotive industry that may be faced with redundancy.

Twelve staff underwent an intensive training programme supported by Skills4Auto, the Midlands spoke of the Automotive Academy, as part of the pilot project. It was envisaged that the scheme would be extended across the country to companies in the automotive supply chain.

When the Longbridge-based motor manufacturer collapsed, WH Smith & Sons' Managing Director Colin Sarson applied for a business support package that was put in place for companies in the MG Rover supply chain. The MG Rover Task Force established the £20 million Advantage Transition Bridge Fund (ATBF) to help suppliers and dealers hit by the collapse. The bid was successful and the company received a five-week wage subsidy for the 50 affected workers. The grant was intended to provide the company with breathing space in the short term and, in the longer term, help to develop new opportunities.



The training programme helped staff learn new skills which meant they could make a smooth transition from working on the MG Rover account to work in other areas of the company.

They studied business improvement techniques including improving quality, reducing waste and increasing profits. Within months of MG Rover's demise the company had been successful in securing several major new contracts and could look to the future with confidence.

### OUTCOMES

Managing Director Colin Sarson said all of the staff who may have been faced with redundancy had been retained by the company. WH Smith & Sons had recovered rapidly from the blow of losing its MG Rover contract. Major new contracts had since been won and the company was going from strength to strength, improving profitability and beating competition from around the world.

Colin said: "We were grateful that Skills4Auto was able to react so quickly to the situation when MG Rover failed and left hundreds of companies similar to ours in a very difficult situation. We were determined that we would avoid making redundancies if at all possible so we decided instead to invest in our highly skilled staff and provide training to help them adapt and develop new skills. "The training programme facilitated by Skills4Auto helped our employees learn new skills as they made the transition from working on our MG Rover project to being deployed in other areas of our business."



### BENEFITS TO WH SMITH & SONS

- Improved business performance
- Retention of skilled staff
- Staff motivated to take part in further training
- Continuous improvement becomes a way of life
- Improved customer focus
- Waste reduction opportunities identified

### BENEFITS TO STAFF

- New skills acquired
- Redeployment within company
- Increased involvement in the business
- Improved understanding of work practices
- Increased enjoyment of work

“They learned important business improvement techniques, such as reducing waste, improving quality and therefore increasing profits – lessons that will help move our business forward. Our hope is that other local companies, affected by the demise of MG Rover or any other major manufacturer, will benefit from the training programme, reducing the need to make redundancies.”

Steve Allcott, Programme Manager at Skills4Auto, said it was thought to be the first automotive training programme staged as a direct result of MG Rover’s collapse.

He added: “We were delighted to be involved in helping the MG Rover supply base by facilitating these courses. Business Improvement Techniques is a standard methodology in the automotive trade. The Automotive Academy and the Industry Forum condensed all the information into one bespoke best practice programme which we plan to deliver across the UK.

“Colin and his team at WH Smith & Sons volunteered to help us stage this pilot for the national programme which will be rolled out to any companies in the automotive supply chain, from one-man bands to a manufacturer employing 30,000 people. It helps because then all companies dealing with any major motor manufacturer will be singing from the same song sheet, using the same tools, terminology, methodology and processes.”

