



Case study

Name: OCS Group UK
Sector: Facilities Management Services
Location: North of England

Cutting waste to achieve growth

The Specialist Services Division of OCS consists of 6 stand-alone operations; Horticulture, Utilities, Electronic Security, Waste Brokerage, Commercial Window Cleaning and Environmental.

Within the Utility Division, OCS provides tree felling services to a number of clients. One of their major contracts comes from a major Utilities Contract. This is a nationwide contract which was 3 years into a 7-year fixed term, and which was unfortunately making a loss.

Managementors worked with OCS to identify issues impacting on the performance of the contract. Specific activities around the planning, control and co-ordination of work, along with the implementation of an effective Management Operation System (MOS), improved the productivity of field teams and ultimately reduced the cost of the service delivery as well as improving the customer service delivery.

Key challenges

- Inefficient contract which was making a financial loss
- Lack of internal capacity to identify and resolve issues
- Ineffective planning, control and co-ordination of work
- High sub-contractor expenditure

Key gains

- Implementation of an improved job management process and Management Operating System
- Greatly enhanced service to end client
- Clearer roles and responsibilities for all staff

Background

OCS Group is an international, total facilities management provider, with annual turnover of £1bn, employing almost 90,000 people in 50 countries worldwide. OCS ranked 59th in the Sunday Times HSBC Top Track 100 in July 2016. Established in 1900 by Frederick William Goodliffe, and operating as a sole trader under the name of The New Century Window and General Cleaning Company, the company is now in its 5th generation of family ownership.

The company offers more than 80 individual services from catering, cleaning, horticulture and waste management to security, maintenance and hygiene. These services are delivered either

individually or as part of fully-integrated FM solutions, to over 100,000 public and private clients, across a range of different sectors.

In April 2014, OCS was awarded a 7-year contract with a major Utilities business to provide vegetation clearance across the UK.

Unfortunately, this contract was not performing at an optimal level, and hence there was the need to bring the contract under control and to stem the losses, to ensure that the contract made the best possible financial return for the remaining 4 years left to run, whilst providing the required level of service to the client.



Challenge

As a key contract for the Specialist Services Division of OCS, there was a fundamental need to take action to resolve the problems within the contract. Jon Fowler, Managing Director – Specialist Services, recognised the need for external support: “I knew it was an inefficient contract but it was a very large contract across the UK and we didn’t have the resources and time to actually do the analysis of why it was inefficient in the timetable we required.”

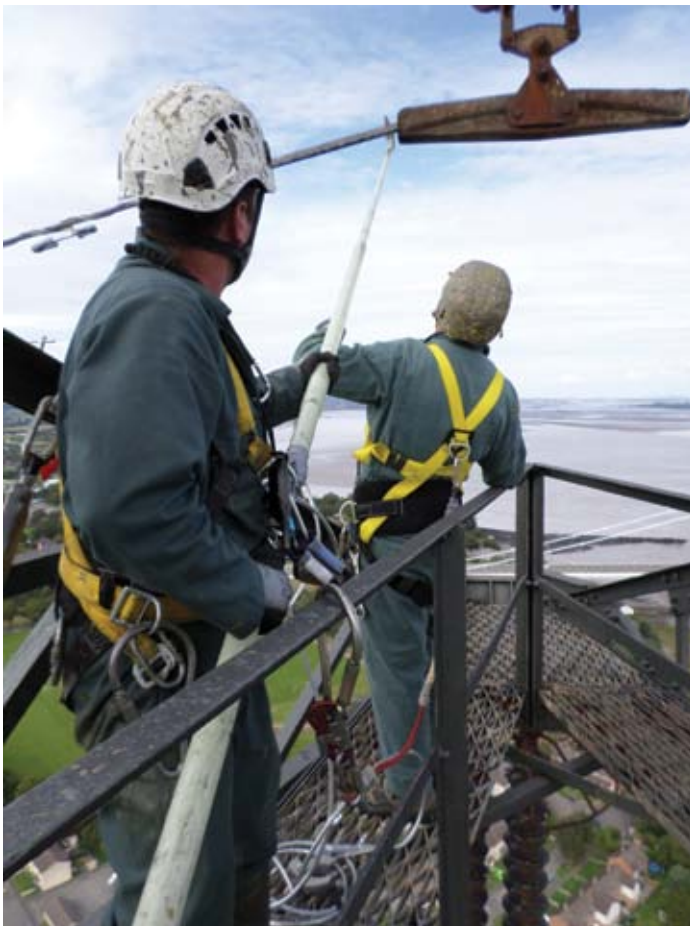
Austin Brown, National Operations Manager Specialist Services adds, “It was quite apparent quite quickly there were some significant issues with how the contract was being run, from the day-to-day delivery and with the structure from top to bottom; what we did needed to be reworked and made clearer to people. I identified quite quickly that this wasn’t something that was going to be a quick turnaround.”

Managementors carried out an in-depth analysis of this Major Utilities contract, with field teams across the UK, as well as with the administration team based in the North of England.

The results of this analysis identified planning as being one of the main areas of inefficiency; work was not effectively planned at any stage of the process and was poorly controlled. Difficulties in completing the job surveys caused delays which resulted in bottlenecks in the process. As a consequence, work was often planned for the cutting gangs at the last minute.

This often led to work being sub-contracted out at a high cost, when it should, in reality, have been given to internal teams. When sub-contractors were used there was often an absence of active management, allowing them to deliver a poorer standard of workmanship.

As it stood, the process that was being followed within this area did not support continuous improvement. The absence of productivity measures, along with gaps in the MOS, combined with a lack of active supervision, meant that fundamental change needed to take place to result in improvements being made.



Approach

Managementors worked alongside field teams and office based staff to develop new ways of working, especially around the planning, control and co-ordination of the work, together with the implementation of an effective MOS to improve the productivity of the field teams and to reduce the cost of delivering the service.

The start of the project focused on getting each area under control as quickly as possible; it was important that accurate information was available to understand true capacity and the impact of solutions, to consequently drive productivity.

Austin stated that “Because there had been various change projects in the past, there was initially some scepticism among the teams. However, as time went on they realised that it was more significant this time around and it was clear there was real buy-in to get it right”.

This senior level buy-in was key for Managementors to successfully communicate a clear and consistent message across all the staff and consequently result in sustainable improvements. “The Managementors team worked very well with us. This was something quite new to a lot of the staff, as well as myself, having never worked with consultants previously” continued Austin.

It had been highlighted that a lack of active management leads to poor job management, lower performance and repeat work. Therefore, a key area of focus for the project was attaining a shift in behaviour from passive to a more active style of management. A review of the current structure took place, along with a redefinition of key staff’s roles and responsibilities, enabling a clear understanding of what was required for an active style of management. Austin comments that “Managementors fit in well, and are obviously experienced with various lines of business, they knew how to pitch it to the guys on the ground so they could understand what was required of them.”

Key to the solution was also the implementation of effective management tools which, together with the focus on an active style of management and a revised planning and scheduling process, enabled the driving of performance through the identification and resolution of the issues impacting the performance of the operation.

One of the challenges during the project was that the field teams Managementors were working with were based all over the UK, therefore it was integral to Jon that the right resources were in place to support the project activities. Austin adds that “We had to keep the day-to-day going, as well as try to change a lot of real embedded bad habits.”

As the project got further underway, changes in the managers’ behaviour and the improved interaction between the managers, operatives and sub-contractors, enabled otherwise hidden issues to surface and be actioned. “The Managementors team had the daily challenge of staff not listening or understanding; but they worked well to ensure they went back over and reviewed things to clarify everything was understood and help embed change”, adds Austin.

“The beauty about what Managementors are able to do is have that absolute focus on that one thing, while those involved from OCS have still got a day job to do. From my point of view, it’s going to make the changes stick because of that interaction Managementors had on a day-to-day basis.”

Austin Brown, National Operations Manager, Specialist Services - OCS



Outcomes

Managemetors worked alongside OCS to achieve improved processes, together with new roles for planning and managers, aimed at driving productivity and customer satisfaction, whilst ensuring a safe working environment. Support and coaching of these people within their new roles enabled them to move from a passive to an active style of management which, together with realigned processes and the implementation of an effective MOS, have helped to deliver the project objectives and benefits in a sustainable manner.

From the benefits achieved, one key outcome is a reduction in overdue audits, allowing the business to ensure work is done more effectively and first time, thus reducing rework costs.

With the implementation of an integrated Active Management System within this major Utilities contract, success is being seen by OCS. Development of an improved job management process has made things clearer and easier to follow; along with changes to the structure which support new roles and responsibilities. This has helped achieve Jon's key aspirations of a more efficient operating plan and training of the team in these new ways of working, ultimately resulting in a sustainable improved performance.

Jon comments: "The education of the management team in using the process is a key benefit. The client's customer service will be greatly enhanced, and the impact on the employees running the contract will be positive as well; because of the process being documented and clearer for them." Austin adds that "Giving the teams clear instruction and clear responsibilities is a really big thing, and it's given them an understanding of what role they play within a contract like this."

New controls have been developed and implemented around the sub-contracting of jobs, ensuring that in-house resource is used first and that value for money is obtained. Furthermore, there is an increased focus on finding more effective ways of keeping vegetation under control. In addition, audits are now often completed before leaving site, which avoids the requirement for a revisit.

All the above activities have resulted in a financial benefit for OCS, over and above expectations. Jon remarks that "The financial benefits and the customer experience will be much improved. It was a loss making contract and it's not anymore!"

Austin adds that "The ultimate goal was to get some stability with the contract and clarity for the teams; to really re-engineer the contract so it would be delivering to the client's and business's expectations.



Following the project, the field teams and office based staff alike are reaping the rewards from the engagement with Managementors. “Even though there was some level of resistance from staff at first, post project they were completely enlightened on the benefits of having someone help them achieve the turnaround of the contract,” comments Jon.

He continues: “It’s probably because the team hadn’t gone through that before and had no experience of using consultants alongside them. When actually now, in hindsight, they think it’s an amazing benefit – everyone’s a hero; we’re a hero, you’re a hero, everyone’s happy – everyone’s a winner!”

Austin adds that “This project has helped lift the morale around the contract. Giving people clear instruction and clear responsibility has been welcomed, helping the team hit their targets has also had a positive motivational effect on the team, which is a good thing.”

Jon says “The project turned out better than expected”, and in terms of driving the changes from here, Managementors will support OCS in follow-up visits to ensure the change is ingrained and the new way of working continues to ensure OCS delivers value to the customer.

Moving forwards, keeping it simple is key for Austin: “The big thing, and it’s something I’ve tried to do with all contracts I oversee, would be just to keep it simple and make everything clear. We’re making sure we learn from the mistakes made and share some of the good things we have done here elsewhere.”

Jon reflects that “It’s probably a challenge of most organisations, in that they presume they just pay for you to do the analysis then they can sort it out, but the reality is that we would never have done the same job, at the same speed, to the same quality, as Managementors did.”



“I’ve used a number of consultants over the years, but this was genuinely the best set of consultants I’ve come across in my 30+ years of business, so a very good engagement.”

*Jon Fowler, Managing Director,
Specialist Services – OCS*

Contact us to find out what Managementors can do for you

Call +44 (0)1256 883939

e enquiries@managementors.co.uk

w www.managementors.co.uk