

# LEARNING TECHNOLOGIES

*Retraining to Meet Customer Demand*

## INVESTMENT LED TO NEW SALES AND PROFIT

Mini Gears is a small engineering company specialising in precision power - transmission components, particularly gears. Its clients are spread world-wide and include machine-tool manufacturers and automotive companies. Established in 1966 and based in Stockport, Cheshire it has a current turnover of £1.5m and a workforce of 50 people.

### The Background

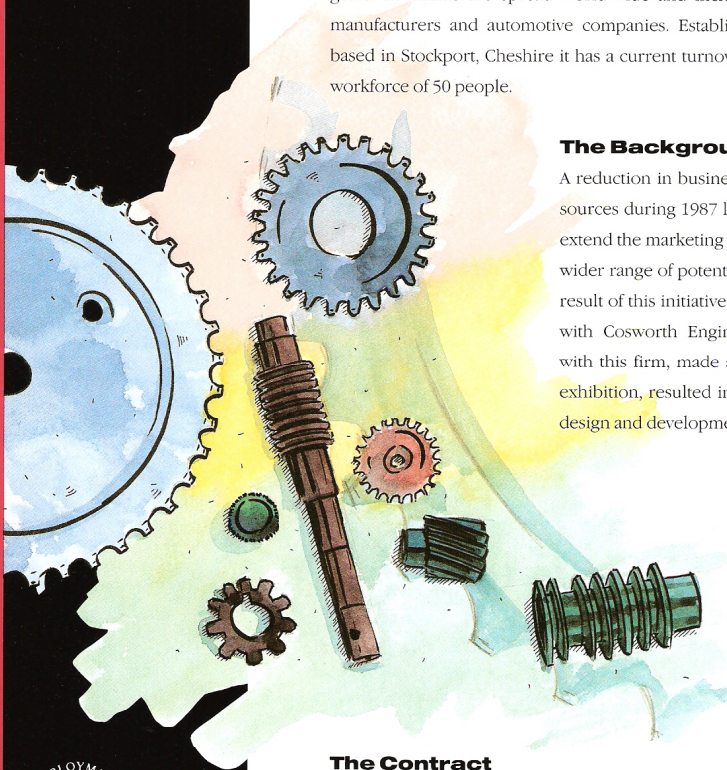
A reduction in business from traditional sources during 1987 led the company to extend the marketing of its expertise to a wider range of potential customers. One result of this initiative was an association with Cosworth Engineering. A contact with this firm, made at a sub-contractor exhibition, resulted in help with several design and development projects.

### The Contract

Following this development work, Mini Gears won a contract, against UK and European competition, to supply timing drives for the new Cosworth V6 24-valve production engines used in the top range of the Ford Scorpio. It posed a considerable challenge.

### The Demands

The customer's stringent quality standards, including Statistical Process Control and Failure Mode and Effects Analysis, required Mini Gears to invest in new machinery and technology. New customer demands meant there was a need for a further investment in training.



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LEARNING METHODS CASE STUDY

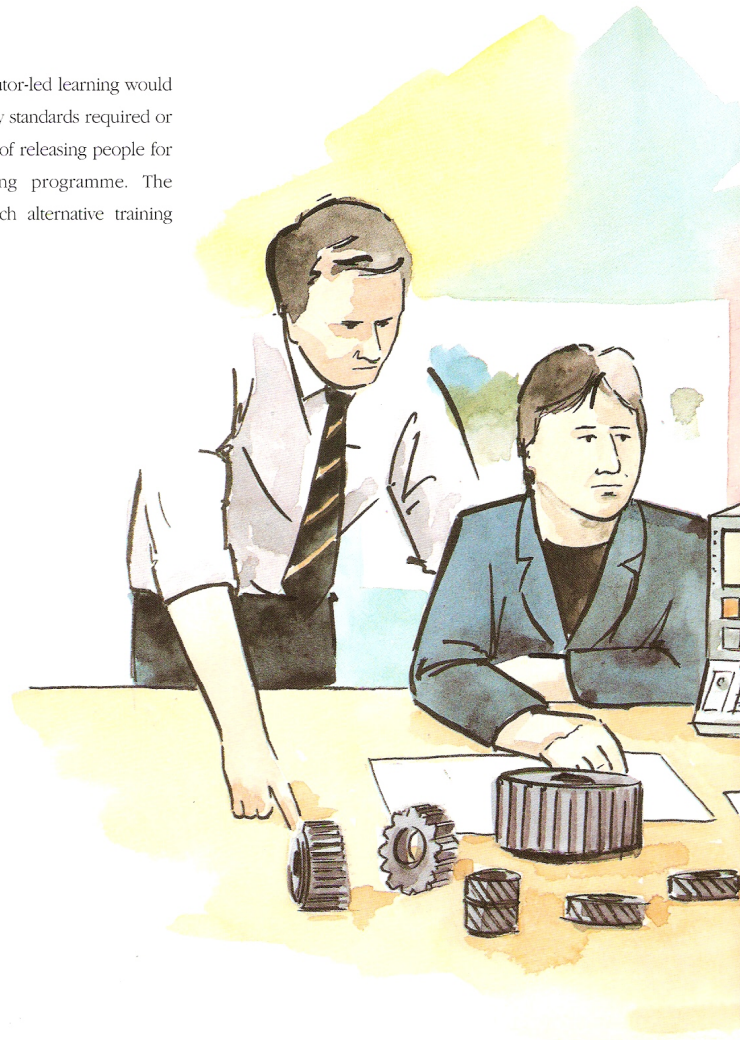
## L E A R N I N G   T E C H N O L O G I E S

An analysis of available skills showed that most current employees would need retraining. A comprehensive training scheme would also be necessary for new recruits, who would have to be taken on even though there was a shortage of skills in the local area. The overall costs involved would have to be contained within the total new business development budget.

### **The Approach**

Traditional methods of tutor-led learning would not satisfy the new quality standards required or overcome the problems of releasing people for such a large retraining programme. The company had to research alternative training routes.

As the Joint Managing Director, Reg Darwent, said: "In a small production shop such as ours, employing no more than 50 people, we couldn't afford to bring in consultants or take half a dozen personnel at a time off the production line. The Stockport and High Peak Training and Enterprise Council helped us to find a suitable in-house training facility and we're very grateful to them



## L E A R N I N G   T E C H N O L O G I E S

for that." Joint funding was made available through the Employment Department's Business Growth Training policy.

### **The Flexibility**

Open and Flexible Learning Methods (OFL) were set up in the form of an interactive video system with text-based support materials, originally produced for the Ford Motor Company but tailored to meet Mini Gears' specific needs.

The flexibility of the Open Learning method was ideal for matching the training to production

demands so that personnel could fulfil the programme's requirements at a pace that suited their availability and their individual style. Previous training methods were thereby transformed.

### **The Benefits**

By recognising the needs, planning the methods and implementing the programme, the company was able to achieve a number of productive outcomes.

It now has a multi-skilled workforce that understands the principles of total quality and can respond to changing demands. Its customers, satisfied with the high quality received, return for repeat orders. The fact that its products are now 'right first time' has led to a reduction in scrap. Overall training costs have also been reduced.

### **The Bottom Line**

Since adopting OFL training methods, Mini Gears has increased its turnover by 16 per cent and its sales by 25 per cent – including the largest single order in its history – leading to a net profit improvement of 19 per cent.

The company is convinced that its investment in training has given it an extra competitive advantage, which it intends to extend with further training as the opportunity arises.

"We can show customers how training helps us to achieve the quality they're looking for. And the benefits are wider than cost-related. There's a much happier buzz about the place: people are more committed than ever before," added Reg Darwent.

