

Family-Owned Company Competes Successfully with Industry Giants

A family-owned business founded in 1895, Hatfield Quality Meats was experiencing some of the best years in the company's history, but it wasn't willing to take growth for granted. In a highly competitive industry dominated by large conglomerates, Hatfield was looking to stand its ground and make whatever changes were necessary to remain successful. This meant inspiring its managers to play an integral part in the company's future — and turning to DB&A to help build a solid base of professional skills and techniques.



DB&A Analysis

Hatfield Quality Meats produces more than 1,200 fresh and manufactured pork products for distribution throughout the Northeast, and holds the distinction of being the maker of the official hot dog of the Philadelphia Phillies. While Hatfield was experiencing success and doing well, it wanted to make improvements that would help the company "sharpen its edge" and remain competitive in an industry that was becoming increasingly consolidated. To do that, they knew they had to be more than just good. They needed to move to the point of being great.

Their quest began internally with a planned initiative for maximizing performance, central to which was a program designed to enhance the managers' understanding of each department and sense of ownership of the overall business. Just as Hatfield began laying the groundwork, however, the company received a call from DB&A. What intrigued Hatfield and set DB&A apart was that DB&A made no claims about being meat experts—it positioned its consultants solely

The DB&A Difference

Project Results

- ➤ Improved communication and knowledge sharing within teams and between levels of management
- ➤ Provided training on workload/ workforce management, metrics analysis, and productivity tracking
- ➤ Reversed management culture from reactive to proactive
- ➤ Identified approximately \$10 million in financial opportunities— with a guaranteed \$6 million gain on the bottom line

as management experts—precisely the kind of partner Hatfield needed to instill a stronger, more accountable, business-management mentality across all areas of the organization.

Implementation Actions

Uncovering Hidden Potential

DB&A used the initial two-week analysis period to conduct a comprehensive investigation of Hatfield's entire operation, employing resource utilization

studies, front-line supervisory observations and more to identify approximately \$10 million in opportunities—with a guaranteed increase of \$6 million based on productivity increases and potential yield alone. Although it was aware that improvement in these areas was key to their success, Hatfield had never assigned dollar figures to the opportunities, and the potential took them by surprise.

Establishing Standards & Guidelines

Following DB&A's presentation of the analysis, the 28-week engagement focused on two main business units within the Hatfield organization—Fresh Pork (which generates pork chops, tenderloins and other cuts that are sent directly to retailers) and Processed Meats (pork meat transformed into products like ham and bacon). The workloads in the two units are closely linked. Consequently, any common shortcomings impacts profitability across all lines of production.

At the time, for example, the importance of maximizing the value of every product was not being clearly communicated from top to bottom, resulting in over-trimming (which meant that products were trimmed too much, ultimately downgrading the quality of the meat) or over-grading (meaning that products were graded so strictly, they were being discarded rather than sold at a lower grade).

DB&A worked closely with Hatfield's managers and employees to identify the root causes of these practices. In the case of over-trimming, they found that the employees measuring cuts were not the same people doing the trimming—and both groups' expectations were completely different. Similar circumstances were resulting in over-grading.

In response, DB&A implemented simple, straightforward communication tools and processes that leveraged the managers' existing knowledge and helped supervisors share that information more efficiently and effectively. Open meetings and workshops quickly helped teams exchange ideas,

DeWolff, Boberg & Associates served as a catalyst — energizing and exciting our managers.

~ Senior Officer, Hatfield Quality Meats



develop guidelines, and adopt uniform standards, resulting in almost immediate increases in production, savings, and yield.

Enhancing Communication Across the Board

In addition to periodic problem-solving tools, Hatfield's managers also needed ways to interact with their teams on a daily basis to ensure that goals and objectives were being disseminated, and information conveyed consistently, from top to bottom throughout the company. To that end, DB&A initiated huddle meetings at the start of each shift, creating a specific time and place for teams to discuss goals and objectives on a regular basis, with communication boards in prominent areas to provide a common reference for tracking each shift's production statistics.

DB&A also worked individually with managers to help them feel more at ease with setting expectations and working with employees one-on-one to achieve the stated goals.

Making Measurement a Priority

Although Hatfield managers were responsible for overseeing daily production, many of them lacked the knowledge of how to collect and analyze the metrics. After DB&A provided training on how to compile daily schedule controls, monitor yields, track productivity, and identify potential concerns throughout the workday, attitudes and expectations changed dramatically, and managers shifted from gathering numbers on a weekly and monthly basis to managing them on a daily and hourly basis.

DB&A also showed managers how to utilize daily work schedules to ensure that production lines were adequately staffed to meet the workload. Work shifts in the Fresh Pork and Processed Meat areas were aligned to the production flow, and changes such as moving fresh sausage production from a day shift to an evening shift helped reduce the number of missed or delayed shipments. Unfamiliar labor-management concepts like sending people home or moving them

to different shifts if they weren't busy were also introduced and implemented.

Management Culture Results

Right from the start, Hatfield had a strong commitment to changing behaviors in order to drive continued success, and DB&A's expertise in that arena inspired Hatfield's managers to take charge, set expectations, foster accountability, and work as a team to drive performance.

Since the DB&A-Hatfield collaboration, Hatfield Quality Meats has realized savings significantly surpassing the original goal and amount promised in the DB&A guarantee. Armed with powerful new tools and a dedication to implementing change, Hatfield can look forward to successfully defending its position as a mid-size family-owned company in an industry filled with giants.



Since 1987 DB&A has provided cross-industry management consulting delivering 15-20% in operational and financial improvements to our clients with a financial guarantee. We deliver customized solutions that maximize existing resources to increase efficiency, capacity, and productivity. Our approach is to work with all levels of management to transform management culture in order to drive accountability where it matters most: the front-lines. For more information visit www.dbaresults.com or email contact@dbaresults.com