

Boost your efficiency with a daily huddle

Unipart chief executive John Neill has improved productivity by listening to his staff. The NHS could do the same, he tells *Tommy Stubbington*

"Join the productivity revolution!" scream a series of billboards on the approach to an industrial estate on the outskirts of Oxford.

Visitors might be surprised to learn this was once the headquarters of British Leyland, synonymous with the bloated inefficiency of state-controlled industry in the 1970s.

The man behind the message is John Neill, who pioneered Japanese "lean manufacturing" techniques in this country after taking charge of Leyland's car parts division. Four decades and one management buyout later, he has transformed Unipart, of which he is chairman and chief executive, into a logistics empire with nearly 10,000 staff and turnover of more than £1bn.

The 70-year-old has even bigger plans, however. Neill, born in South Africa but educated in Scotland, believes his management philosophy – called the Unipart Way – is the key to turning around Britain's dismal productivity record.

The company already sells its consulting services to clients including National Grid, the online retailer Asos and more than 20 NHS trusts.

Neill believes the Unipart Way can transform the health service, saving enormous sums for the taxpayer.

"There's a few billion at least we should be able to save," he says. "It isn't about making people work harder, but letting people use their knowledge and experience to do things more efficiently."

Unipart's hangar-sized headquarters, beside BMW's Mini factory at Cowley, is a working demonstration of how that might look.

The chief executive bounds along corridors emblazoned with examples of his brand of management speak: "No problem is a



Efficient working: John Neill

problem." Smiling workers, who seem to share his messianic fervour, demonstrate a system of wallcharts that record, hour by hour, whether tasks are on track. The same system is used to monitor exhaust systems rolling off the company's production lines and the number of invoices processed by the finance department.

Success and failure are discussed at a "communications cell" – a daily huddle where staff share tips on how to work faster. This approach allows "thousands and thousands of small improvements every day" that together add up to a company-wide productivity boost, says Neill.

There is a slight cult-like atmosphere to the place, but his blue-chip client list suggests he is on to something.

Britain's economy could certainly use such help. Growth in productivity – the amount each worker produces in an hour – has slowed to a crawl since the financial crisis, despite the issue being given top priority by former chancellor George Osborne. Britain has also lagged behind competitors: it

takes us five days to produce what the Germans manage in four, a statistic quoted by Osborne's successor, Philip Hammond.

There are almost as many explanations for the productivity puzzle as there are economists in Britain, from lack of investment to poor vocational education to the sapping effects of low interest rates.

Neill insists Unipart is not bandwagon-jumping. Was he asked to join Hammond's productivity council, a body set up last year and led by Sir Charlie Mayfield, the chairman of John Lewis Partnership?

He wrinkles his nose. "There's nothing I can tell them except they should do what I've been doing for the past 30 years. There's nothing new to invent here."

The central premise of the Unipart Way is that the best ideas to boost efficiency come from the workers themselves. Crucially, organisations must have procedures in place to make sure those ideas are heard and acted on.

Neill gives a recent example from an NHS hospital where the company is working. After being told by

“**There's a few billion at least we should be able to save**

a senior consultant that a new £1m operating theatre was required, Neill went to see for himself. He gathered staff round and asked them what they thought.

"It was like a fire hose of ideas," he says. A nurse told him that the operating theatre could carry out one more procedure a day, equivalent to an extra £750,000 of work annually, simply by employing a porter, so surgeons would not have to wait for their nursing teams to wheel patients back and forth before they could get started.

Rather than paying for another theatre, "they could save a million pounds on new

kit. It's so obvious, why wouldn't they do it?" he says. "But when I took it to management they just said, 'Oh, yeah, that lot are always complaining'."

Neill insists that, at Unipart, everyone is listened to. Until recently, one factory worker regularly had to spend 45 minutes fetching a forklift to check what was inside an out-of-reach bin full of car parts. He suggested fixing a camera to the end of a pole, which helped slice half an hour off the process, an innovation that was shared around the world on the company's Facebook-style internal network.

Neill is talking to the NHS about rolling out the Unipart Way nationally, and he is ready for controversy. There was union opposition to changes the company proposed at HM Revenue & Customs a decade ago, which produced £1bn of savings.

There is no need to fear creeping business involvement in the NHS, he says. "In many ways, the Unipart Way is an antidote to privatisation. If we help them to be as efficient as they can be, why would they need to ever be in a different ownership structure?"