

Quality - A Family Affair

David Smart

Good morning Ladies and Gentlemen May I thank you for allowing me to share with you the true insight into a family business. By family I do not just mean my father's family but also our family of colleagues that has grown over the last 45 years.

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Greenhalgh's Craft Bakery was officially formed as a Craft Model Bakery in 1957. My father, taking the word "Model" as what a quality bakery should operate as, i.e. it is a model for quality. However, when we moved site to our present location in Lostock during 1971 we changed the name to Craft Bakery because we are still proud that we have an ethos of quality. The 'G' which is a very distinctive symbol has been our trademark for many years. It is very well known throughout the area and by the trade. It originated from a visit by my father to an I.B.A. Trade Exhibition. He was looking for a new trademark and coincidentally he went to a cake box manufacturers' stand and got a great idea. He offered the manufacturer his business provided that the Company could come up with a suitable cake box trademark. This they did - hence the birth of the "G" symbol.

Even though my father is now 77 he is still the leader of the family, and very much 'the boss' within the Company. The family comprises of:

- My father - who is the Chairman and Managing Director
- My mother - who is the Company Secretary
- My sister, Marian - who is the Sales Director
- Myself - I am the Production Director
- My sister, Anne - who is a Director within our Human Resources Department
- We have a non-family member, Ray Lyons - who is our Financial Director
- My brother, Michael - who is responsible for Quality.

QUALITY

Etymology or origin of the word quality describes where it actually comes from. Everybody uses the word quality regularly but does anybody know what it really means?

WHAT DO WE MEAN?

What do we mean when we use the word quality? People use this word, second nature, so that if it is said often the word quality may be believed. But quality is only a person's perception.

One Christmas - not too long ago I had to go to the supermarket at the end of the Christmas Eve shift to get some last minute groceries. At the checkout the lady in front of me had two trolleys. One was full of Christmas foods and the other was full of square sliced bread. Being an inquisitive type of person, I asked her why she had got a trolley full of bread and why was all the bread square? I received the following answer: "As my deep freeze is square the bread fits inside exactly!"

. Therefore, this lady's perception of quality was pure and simple, i.e. "the bread was square." She made no reference whatsoever to the quality of the flour, flavour or texture.

The Government tried to implement Quality Standards, BS 5750 and ISO 9002. However, these are only measures of consistency proven by paperwork. We cannot really be assured that quality really exists - it is merely a paper trace, which in itself can be flawed. To highlight this I give the following example:

A well-known flour supplier of ours, who had received ISO 9002 accreditation, put the wrong flour into the wrong flour bags. They called the flour by the name we use and delivered the consignment

to Greenhalgh's. However, when a traceability check was carried out on all the paperwork everything was found to be absolutely correct!

The Oxford dictionary describes quality as "a general term applicable to any trait or characteristic whether individual or generic".

The Quality Standards, BS 5750 and ISO 9002 do not really mean anything because every product has a different standard, which in itself is not a standard. So what do we have?

WE HAVE A COMMITMENT TO CRAFTSMANSHIP

This is the actual philosophy of the Company. I fully realise that this is a hard act to follow because it is an ethos of our family business and within our whole being as an organisation. It is not lip service that we bring out of the bottom drawer.

That means:

Ensuring the materials we use are of a specific standard of excellence to suit the job. This probably heralded the birth of the Quality Assurance Department. However, we cannot just stop here. I will give you the following examples:

Flour - we are constantly sourcing different suppliers and sampling their products to obtain even better quality flour. This process is extremely important, as different types of flour are needed to produce a variety of products.

Water - most people think we use water straight from the tap to produce our products. However, to make sure that the standard of water is optimum for production purposes the Company's ethos says we have to add the best water. That is a project in itself.

We were anxious to find a process whereby all the chlorine in the water could be taken out. During a fact finding trip to America my father found such a process. It is called reverse osmosis. All the water passes through a special filter for purification purposes. An interesting point to note: this is the only water that can be used after a kidney operation because it is so pure - that is the level of degree that we go to!

2 . Ensuring that our colleagues are craft trained. This is a mammoth task as we are trying to put craft ethics and knowledge into shop floor operatives and explain the reasons behind it. We are also a commercial enterprise and have to operate in a competitive environment.

We have to ensure that the machine fits the product, which is essential to make the manufacture of products more viable. To this end we have to work closely with the manufacturers to ensure we get the best machine for the job at the most competitive price.

Having the tenacity to see it through. Making sure that what you want is achieved - that's the challenging bit. Quality machinery, materials and skilled employees are the essence of craftsmanship, as you can't do everything yourself you have to believe in people.

WE HAVE A COMMITMENT TO PEOPLE

Booker T. Washington said: "Few things can help an individual more than to place responsibility on him, and to let him know that you trust him"

. People are the most valuable asset within our family at Greenhalgh's.

THE PEOPLE FACTOR

There are 860 people on our payroll. This figure reflects seasonal employees also, which we take on during the Christmas period and the summer months. The figure represents a split of 50/50, i.e. 50% are employed in manufacturing and 50% are employed in our retail sector.

Almost half of our employees are "lifers", i.e. employees with 15 years service or over.

However 20 and 30 years service is not uncommon.

Our Technical Director, Barrie Kemp recently retired after 45 years service with the Company.

Making people feel special. This is a vitally important element to aid the continued success of the Company. People should be treated as part of the Greenhalgh's family. To this end you must trust them, make them feel wanted and assure them that their contribution is needed.

WE HAVE A COMMITMENT TO YOUTH AND THEIR FUTURE

Abraham Lincoln said "You cannot escape the responsibility of tomorrow by evading it today".

Training is such an obvious necessity that seems to be sidelined when we have something more important to think about. I once wrote a paper on training and said "If you can't look over your shoulder and see your successor, then you have a training problem." Although this may sound incorrect it is even more relevant than ever today.

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THE MEANING OF YOUTH AND LIFE

"Youth is the only chance the future has, teach them well".

However, everybody has got excuses why they don't want to train:

Today's modern youth is different". They can't get up in the morning.

"There's no colleges left".

"You can't get good staff, let alone train them".

"If I train them, somebody will pinch them".

Because Greenhalgh's is a people organisation we have recently formed our own Bakery College.

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GREENHALGH'S BAKERY COLLEGE

Greenhalgh's Bakery College is a purpose built, fully fitted, craft training area introduced to train apprentices.

The College is a City & Guilds approved examination centre.

Currently, we have 14 full-time apprentices.

During Monday and Friday the apprentices are based in the main bakery.

On Tuesday, Wednesday and Thursday the apprentices are taught in the College by experienced Tutors.

The curriculum they follow is the old syllabus of City & Guilds - "Advanced Bread and Confectionery". This course is far superior to the Government's N.V.Q. Scheme. However, we have to issue N.V.Q. Certificates to comply with the regulations, but they are only bits of paper, it is the quality and content of the course that is important. The take-up of the course has been outstanding and all the apprentices are made to feel special in accordance with the company's philosophy.

WE HAVE A COMMITMENT TO OUR BUSINESS

1. We are proud to be retail craft bakers - that's what we do best.

We have 35 retail outlets. However, our business is split between wholesale and retail.

We have 18 wholesale vans that deliver our products to other catering outlets. We supply retail multiples, e.g. Safeway, Morrisons. We also supply other food service groups. Finally, we export into Tenerife and mainland Greece.

Sessional Chairman.

Thank you David. Again we've time probably for one question so if anyone would like to place that question, and let me again say it you could give us your name and your town so that we can have it in the record. Do we have a question for David?

Question. Paul Heygate, The Chairman. Do you bake what you sell, or sell what you bake?

David Smart.

A bit of both really. To give you a prime example, Paul. We've been making a type of round pie since Adam was a lad, and then my dad he got hold of an oval pie tin and said I used to make those 13 to 14 years ago; start making them. So I've had to go and buy 10,000 oval pie tins and the blocks and the dyes, and he said you are going to start selling them at Christmas. So it's a bit of both really.

Sessional Chairman.

Thank you. What comes out plainly is what passion there is for the business, and also the success, so perhaps the two things are linked. David thank you very much for the paper, and your father also because I know that he's behind the paper and we are pleased to have it, and thank you again.