

# A mini adventure

New working practices have swept away the old 'us and them' culture at BMW's manufacturing plant in Oxford – and made the company winner of the 2003 CIPD People Management Award

REPORT JON WATKINS PHOTOGRAPHS SARAH TURTON

**IN THE WORLD OF MOTORING, THE BMW BRAND HAS LONG** been synonymous with high-quality products, advanced engineering and high performance. Away from the cars themselves, the company has spent the past three years striving to apply those qualities to its manufacturing plant at Cowley in Oxford.

When BMW took over the Rover group in 1994, it acquired in the Mini the most British of products. But it also inherited a British car-manufacturing culture born out of decades of industrial relations strife and low productivity. Six years later BMW broke up the Rover group and sold it off in pieces – with the Rover brand being taken over by the independently run MG Rover Group and production of the Land Rover moving to Ford.

But the German manufacturer retained the Mini brand, and set about overhauling a product that had sold more than five and a half million cars in more than 40 years of production. It also recognised the urgent need to change working practices at the plant.

Monika Lampe, change manager at BMW Group Plant Oxford at the time of the overhaul, says that a revamp of

working practices was essential for the new model to succeed. "When we started at Cowley, the legacy of Rover and the work culture was very much 'us and them'. There was a blame culture within the plant and, to be honest, people used to leave their brains at the gate," she says.

"We were in a competitive market and to compete as a business we had to create a culture of success. We had to change the processes, attitudes and behaviour and to empower staff and involve them in the processes."

So, in 2000, the firm invested more than £230 million in refitting the Oxford plant and launched a major change programme called *The New Oxford Way (Now)*. This focused on three key challenges – upgrading the site and processes to world-class standards, integrating the different BMW and Rover cultures, expectations and experiences, and launching a new vehicle.

The programme was made up of nine "sub-projects" (see panel). The central element in the implementation of these projects is known as Wings – a contraction of Working in Groups – which involved the creation of hundreds of "self-steered" teams of between eight and 15 people

across the plant's manufacturing areas. Wings teams have been given the power to tackle production problems themselves, when previously they would have had to call on other departments. The group members also now rotate tasks within their area to break up the monotony of production-line work.

In addition, rather than being management-led, the focus is now on initiative and self-management, and

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employees have received external training and coaching in working as part of a team.

Heike Schneeweis, HR director at BMW, says the setting up of Wings created a turnaround in both working practices and employee behaviours. "The development of self-steered teams diminished the power of the traditional hierarchical structure and gave much more responsibility to the working teams in the manufacturing area," she says. "It placed continuous improvement and the achievement of plant improvement targets directly into the hands of the team members."

The day-to-day duties of one person from each Wings team have been halved so that they can concentrate on developing their team members and the way their team operates. Every fortnight, each of the three shifts at the plant downs tools for a 45-minute "team-talk", which offers a platform for workers to air suggestions and ideas.

Although some of the 4,000 workers at the plant were initially cautious about stopping work and the threat this posed to production rates, Paul Chantry, who heads the production of car body shells, says they now see the value of these sessions. "Now, if we took the team talks away, we would come up against resistance," he says.

Ideas generated during team talks have led to many practical changes to the production methods used in the plant.

In one area, a worker suggested recycling screws that, further down the production line, were being thrown out. Although that does not sound like a revolutionary change in the production process, there is now a supply of around a million screws waiting to be used. Previously, they would have had to be bought in. In another area, workers suggested replacing the foam strips used to protect car metal on the production line with re-usable rubber ones. The result was a saving of thousands of pounds.

BMW Group Plant Oxford also introduced a "Back To The Track" scheme that saw managers and directors spending time on the production lines. This served to promote BMW's commitment to the programme.

Alan Buckingham, a process area manager at the plant, says the scheme – and the introduction of Wings teams – has encouraged the workforce and the management to

work side by side and reduced the gulf between them. "Wings is saying 'Here is the empowerment to go and do things'," he adds. "It says to the workers, 'go to the manager but treat him as a support function and understand that you, too, can speak in a business manner'."

Three years on from the start of the programme, Chantry says that all the signs are that employees have seized the chance to have more input to the business. "You see people who previously might have been reticent coming up with ideas," he says. "There is also more enthusiasm. The conversations are no longer negative, people are better informed and more open. To put it simply, the workforce is much closer to the management."

And Lampe (who now works in the international HR department in Germany) says the benefits of the programme to the business are tangible too. "Problems are now solved at ground-floor level and the number of ideas – and savings – we are generating is high."

Since it began encouraging employees to contribute to the business and involving them in the processes, BMW Group Oxford Plant has implemented more than 8,000 ideas from staff members. Production targets during 2002 were exceeded by more than 60 per cent and those changes have contributed to savings of more than £6.3m during the past 12 months. This is not bad for a workforce that three years ago was leaving its brain at the gate.

So, where does the change programme go from here?

A new change manager, Nicola Scott, has been brought in to drive the programme on and she insists that the company can evolve further. "It is my aim to make the company more like the Mini, with an energetic, youthful, fun image," she says. "The UK workforce, traditionally, has different ethics, ways and work values. We need to start making people identify with that new image a lot more."

"We have come a long way," she adds. "But we still have a long way to go to get that ownership and to get people to recognise that they really are a part of a team, a part of the plant, and a part of BMW."

### AWARDS 2004

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## THE WINGS SUB-PROJECTS

NOW has nine sub-projects aimed at embedding a variety of attributes into the culture.

- Working in groups
- Management performance
- Oxford identity
- Information/communication
- Integration of support functions
- Competence assessment training
- Standardised processes
- Target management process
- Reward management