



Evaluation of UK Futures Programme

The Jaguar Land Rover
Suppliers High Performance
Working Project

Briefing Paper
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Evaluation of the UK Futures Programme: The Jaguar Land Rover Suppliers High Performance Working Project

Katie MacLeod and Graham Thom

SQW

Hannah Hope

UK Commission for Employment and Skills

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1 Introduction

1.1 UK Futures Programme

The UK Futures Programme (UKFP) is seeking to provide an innovative approach to tackling workforce development issues. The UKFP is not intended as an extension of previous large scale funding initiatives by UKCES, but instead is adopting a different approach by offering smaller scale investments, targeting particular issues and sectors, and seeking greater levels of innovation. The UKFP has four key aims, to:

- Support collaborative approaches to workforce development issues amongst employers and, where applicable, wider social partners
- Encourage innovative approaches to addressing workforce development issues
- Identify ways to address new or persistent market or system failures which act as a brake on UK workforce competitiveness
- Identify ‘what works’ when addressing market failures in relation to workforce development, for adoption in policy development and wider business practice.

1.2 UK Futures Programme evaluation

UKCES has commissioned SQW to carry out a real-time evaluation of the Programme. The aims of the evaluation are to: develop a rich understanding about ‘what works’ in addressing workforce development issues; understand the conditions that can stimulate workplace innovation and learning; actively enable continuous improvement of the investment approach; and communicate the learning in a way that can readily inform and influence policy and wider practice. As part of the evaluation and in order to improve their understanding of key themes UKCES have commissioned SQW to conduct a number of case-studies.

This report summarises the case-study that has been conducted on the High Performance Working Practices Project. This Project has been championed by Jaguar Land Rover and is one of seven Management and Leadership in Supply Chains and Networked Organisations projects in Productivity Challenge 2 of the UKFP.

The purpose of Productivity Challenge 2 is to encourage the largest firms (primes¹), to develop projects that will improve the management capabilities of their supply chain businesses². Poor management has an adverse effect on businesses' ability to respond to global changes and utilise employees' skills effectively. There is evidence³ to suggest that if firms are supported to increase their management capabilities, and adopt 'best' management practice, then they can become more profitable, productive, grow quicker and survive longer.

The aim of the case study is to collect in depth insight into the research questions set by UKCES for this case study as well as some wider research questions which were set for Productivity Challenge 2.

The research questions as set by UKCES for this case study are, in order of priority:

- **The strategic influence and role of supply chains in relation to skills and workforce development.** To explore the extent to which supply chains can be a vehicle to influence skills investment behaviour across that network. To explore how the lead organisations' structure and (power / influence / dependency) relationships with their supply chains, culture and ways of working enable or challenge the potential use of supply chains to influence workforce development.
- **How operational influence can be exerted through a supply chain to engage them in skills development activities.** To explore how, for example, a prime can influence the supply chain to attend a workshop or launch event.

The wider research questions for Productivity Challenge 2 that the case study contributes to are:

- What motivates primes (major businesses) to develop their supply chains?
- What motivates supply chains to engage?
- Have the challenges of Productivity Challenge 2 been achieved? These are:
 - Raising the capability of leaders and managers to align skills, job design and other workplace practices to support high value firm strategies
 - Boosting demand for management and leadership skills
 - Increasing social capital of managers, levels of interaction, and opportunities to learn from their peers and best practice.

¹ A prime is a business that sits at the head of a supply chain

² UKCES (2014). UK Futures Programme Competition brief: Management and leadership in supply chains and networked organisations.

³ BIS (2012). Leadership and Management in the UK – The key to sustainable growth. Available online at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/32327/12-923-leadership-management-key-to-sustainable-growth-evidence.pdf [accessed 17/09/2015]

Methodology

A qualitative methodology has been adopted for this case study as it enabled rich information to be captured. Information was gathered through six telephone consultations with stakeholders involved with the High Performance Working Project, including Jaguar Land Rover employees involved with the delivery of the Project, senior managers at Jaguar Land Rover and supply chain businesses of Jaguar Land Rover that had participated in the Project

2 The Jaguar Land Rover Suppliers High Performance Working Project

2.1 Jaguar Land Rover and its supply chain

The origins of Jaguar and Land Rover date back to the 1920's. Tata Motors purchased the individual companies in 2008, and officially merged them in 2013 to create Jaguar Land Rover⁴. In the UK, Jaguar Land Rover has eight sites nearly all of which are in the West Midlands⁵. The sites include three vehicle manufacturing locations and the company's global headquarters.

Jaguar Land Rover is the largest automotive manufacturing business in the UK. In 2015, the company sold approximately 462,000 vehicles (retail) across 160 countries. Although already a sizeable company, it continues to grow globally. Retail sales of vehicles in 2015 were up 6.4% on the previous year⁶. Company turnover has also increased annually over the past five years and in the 12 months to 31 March 2016 it was £22.2bn. To enable this growth, the global workforce of the company has also increased, from 20,000 five years ago to nearly 40,000 people in 2016. The company also supports additional employment indirectly within its dealerships and suppliers.

Jaguar Land Rover is the Original Equipment Manufacturer (OEM) which heads the supply chain. The company is supported directly by tier 1 suppliers which are typically large companies⁷ that produce particular vehicle parts (e.g. side panels) and/or provide services (e.g. powder coating). The wider supply chain is global, however 50% of Jaguar Land Rover's suppliers are based in the UK⁸.

⁴ Jaguar Land Rover (2016). *About Us – Our History*. Webpage available at: <http://www.jaguarlandrover.com/gl/en/about-us/our-history/> [accessed 22/02/2016]

⁵ Jaguar Land Rover Automotive PLC (2015). *Annual Report 2014-2015*. Available online at: http://www.jaguarlandrover.com/media/75843/jaguar-land-rover-annual-report-2014-15-web_final.pdf [accessed 22/02/2016]

⁶ Jaguar Land Rover Automotive PLC (2015). *Annual Report 2014-2015*. Available online at: http://www.jaguarlandrover.com/media/75843/jaguar-land-rover-annual-report-2014-15-web_final.pdf [accessed 22/02/2016]

⁷ Tier 1 suppliers typically supply directly to the prime.

⁸ Jaguar Land Rover (2014), *Management & Leadership In Supply Chains & Networked Organisations Application*

2.2 Introducing the Project

The Jaguar Land Rover Suppliers High Performance Working (HPW) Project sought to support supply chain businesses to implement high performance working practices by focussing on the capability of leaders and managers to align skills, job design and other workplace practices with cultural and other people-related strategies. High performance working practices place an emphasis on engaged and empowered workforces and high quality goods and services⁹. The Project sought to baseline supply chain businesses' current capability for high performance working practices through an audit. Following the audit, supply chain businesses were offered individual support from Jaguar Land Rover and a consultancy to act on the results through customised HPW programmes. After the customised programme of support was completed the audit would be rerun to understand and capture the improvements achieved.

In addition to the practical support offered to supply chain businesses, Jaguar Land Rover sought to develop an understanding of the barriers to high performance working. This would assist them and UKCES with understanding what these are and help to inform future actions to overcome them.

The Project was developed by Jaguar Land Rover. The company was aware that if it was to grow as it wanted, it would need the supply chain to be capable of responding to increasing demands. Moreover, the automotive sector had an issue with the supply of suitably qualified people to match business growth and new technologies. To understand the ability of their supply chain businesses to grow as envisaged, Jaguar Land Rover undertook a deep-dive activity with a sample of 30 suppliers in 2013. This "*highlighted a lack of ability of [Jaguar Land Rover] suppliers to understand, create and prioritise a comprehensive training plan to both maximise current staff capability and future proofing skill gaps*"¹⁰. This broad finding reflected past practice, whereas the order book grew the initial priority was to fill immediate needs and address technical issues. As needs grew further a lack of skill supply meant a growing focus on increasing high performance working and efficiency so it became apparent that some elements of the supply chain needed support to adapt to a new way of working: hence the need for the High Performance Working Project.

⁹ Tamkin, P. (2004). *High Performance Work Practices*. Institute for Employment

¹⁰ Jaguar Land Rover (2014) *Management & Leadership In Supply Chains & Networked Organisations Application*

The company engaged supply chain businesses through the existing, but fairly new, Supplier Skills Networks. The Networks had been established by Jaguar Land Rover in 2013 following the deep dive activity to foster a 'share and learn' culture between Jaguar Land Rover and their suppliers. The company established two groups, one to support the West Midlands sites and one for the Halewood site. Since their creation the suppliers on the Supplier Skills Networks have benefitted from Jaguar Land Rover support to upskill maintenance engineers and to recruit apprentices.

The original delivery timeframe of the High Performance Working Project was October 2014 to November 2015. Due to difficulties progressing supply chain businesses beyond the initial audit, the Project was extended by four months and a revised end date of March 2016 was agreed.

The total investment in the High Performance Working Project was £506,400. Of this total figure, £261,700 was invested by UKCES through the UKFP. Jaguar Land Rover and the participating suppliers jointly provided an in-kind contribution to the value of £212,700. Each of the supply chain businesses that benefitted from a customised programme of support were to contribute £4,000 per programme. As a result, by the end of the Programme in March 2016 employer cash contributions would be expected to total £32,000¹¹.

The High Performance Working Project was communicated through the Supplier Skills Networks and members were encouraged to engage on a voluntary basis. When the Project was launched the West Midlands Supplier Skills Network had ten members, of which six completed an audit. Subsequent growth of this group to 17 members led to three further audits being undertaken. The Halewood group was smaller and one of the six members undertook an audit. As of November 2015, 19 initial audits had been completed, from which six companies subsequently developed 8 customised HPW programmes.

The audit assessed the capability of each supply chain business in seven key aspects of high performance working. These are:

- Engage - i.e. the quality of communications
- Enable - i.e. capacity building in line with business needs
- Energise - i.e. motivational practices and incentives
- Innovation

¹¹ These figures reflect a contract variation that was agreed by Jaguar Land Rover and UKCES in July 2015. The variation was agreed as external business demands had meant that more businesses had to be engaged, and as a result more audits were undertaken. The project timescale was also extended, the Programme had been due to finish in November 2015 but this was extended to March 2016.

- Learning and development
- Culture
- Customer relations.

The supply chain businesses that were supported by a customised programme each contributed £4,000 towards the cost. For their investment they received at least 15 days of support from a coach, which varied by supplier, and a lead trainer who was consistent across the suppliers engaged. One of the early participating supply chain business, which had multiple sites, chose to increase their engagement and they acquired further tools and support through two additional customised programmes.

Based on the results of their respective audits, the supply chain businesses were given autonomy to design their solution, alongside the coach and lead trainer. The supply chain businesses shared their progress with their peer group through the existing Supplier Skills Network meetings.

Following the completion of the support package, supply chain businesses were to retake the audit. This would enable distance travelled to be assessed. Due to initial delays, none of those involved had retaken the audit at the time consultations for this case study took place (January 2016).

2.3 Motivations for engaging

Supply chain businesses were invited to participate through the existing Supplier Skills Networks so each had a relationship with Jaguar Land Rover that went beyond usual day-to-day working i.e. the supply of parts.

Of the supply chain businesses consulted there were four key motivations for engaging with the Project. These were:

- The High Performance Working Project was well timed and aligned with the priorities of the supply chain business
- The opportunity to work with Jaguar Land Rover and be known as a company that participated on the Project
- The communication of the Project was clear and professional which gave supply chain businesses confidence in the offer
- Compared to other high performance working training this Project was more attractive due to the lower cost.

All of the supply chain businesses consulted thought that the High Performance Working Project aligned with their priorities. The priorities of the supply chain businesses however differed and were wider than high performance working. For example, one supply chain business recognised that less than 50% of their managers had previously received formal training which was thought to be a potential barrier to the company realising their profit improvement plan. This business was keen to upskill the managers and the Project was suitable for this aim. It is likely that this business would have sought training elsewhere had the Jaguar Land Rover opportunity not have been offered. The offer was well timed and it was cheaper than other training that was available. Another supply chain business was establishing a “*culture of learning*” to support growth. Being involved in the Project supported this aim and tied in with the timescale that the supply chain business had in mind for a programme of training.

Of the supply chain businesses consulted, two thought the affiliation with Jaguar Land Rover was important. For one business it was the main reason for getting involved, whereas for the other it was an important consideration but not the main one. Both of these supply chain businesses saw their involvement being of mutual benefit to them and Jaguar Land Rover, and this view was shared by Jaguar Land Rover:

“Your [their] success is our success.”

Jaguar Land Rover employee

The third supply chain business did not think the affiliation with Jaguar Land Rover was important as they already had close ties to the company.

Similarly, supply chain businesses thought that there might be additional benefits, beyond improvements in high performance working practice, and they wanted to make sure they were well positioned. These benefits again related back to Jaguar Land Rover, but were less specific or certain:

“You do not know [at the outset] how high profile within Jaguar Land Rover the Programme might get. If it gets right to the top you want your name to be one that people [Jaguar Land Rover senior management] see.”

Jaguar Land Rover Supplier

For one supply chain business the connection with the prime was less important as they were working with Jaguar Land Rover on another, larger project. This supply chain business did not progress beyond the audit, which again demonstrates that the decision to become involved or not was about more than simply the need for high performance working.

The supply chain businesses found the Supplier Skills Network to be well run and professional which gave them confidence in the offer. Similarly, the Project manager came across as professional and communicated the Project and its benefits clearly. This secured the involvement of supply chain businesses.

The supply chain businesses consulted were large companies (more than 250 employees, although other participants were smaller) and all already offered internal and external training to their employees. Compared to similar training courses on the open market, the High Performance Working Project was offered at a lower cost. All the supply chain business that progressed to a full customised programme following the audit committed at least £4,000, one of the supply chain businesses commented that if they wanted to purchase the same support on the open market they would have to pay “*tens of thousands [of pounds]*”.

Of the three supply chain businesses consulted, none felt as though they had to participate in the Project when Jaguar Land Rover offered it. Their involvement was voluntary. Jaguar Land Rover at the outset intended that suppliers would voluntarily engage as the company wanted to change the culture of things being “*done to*” the supply chain to one of ‘share and learn’. They were also aware that it would be a significant investment, especially of management time by the business and thought this more likely to be forthcoming if businesses truly, voluntarily bought in. By advocating voluntary engagement and asking businesses to contribute £4,000 (on enrolment to a full customised programme) Jaguar Land Rover hoped supply chain businesses would take ownership of the Programme within their business and a shift in business culture, towards high performance working practices, would be achieved.

Not all of the members of the Supplier Skills Networks undertook audits and not all of those that had an audit continued onto a full customised programme. The main barrier to those not undertaking an audit or maintaining engagement was a lack of capacity caused by competing priorities. For example, the supply chain business that completed the audit but did not progress to a full customised programme only had capacity to be involved with one strategic project at a time. At the time of undertaking the audit the outcome of the funding bid for the other project was unknown. Once it was known it had been successful, Jaguar Land Rover and the supply chain business jointly decided that their focus should be on this project, rather than the High Performance Working Project. Had the other project not have materialised then the supply chain businesses would have progressed with the High Performance Working Project.

2.4 Delivery

The High Performance Working Project consisted of three main elements: the initial audit; tailored support and coaching; and a re-audit. Feedback was obtained through continuous engagement with participating companies. Wider dissemination of progress and learning was via the existing Supplier Skills Networks.

All aspects of the High Performance Working Project were flexible. For example, supply chain businesses could identify who they wanted to contribute to the audit and what aspects of high performance working they wanted to focus on through the coaching.

2.4.1 Audit

The initial audit covered seven areas of high performance working by asking 18 questions (see Annex A). Typically, the initial audit was completed by a team of 4-8 employees from the supply chain business and two Jaguar Land Rover employee/consultants. In a couple of cases the company Learning & Development manager supported the deployment of the audit. There was however variation and, for example, one supply chain business used the audit process to sample a range of employees across four sites to gain a broad picture of current practice within the business.

The audit was piloted and then refined. The number of questions asked was reduced from 19 to 18. The wording of some questions was also amended to improve accessibility.

The time commitment needed to complete the audit was thought by supply chain businesses to be appropriate. As an example, one supply chain business had six managers complete the audit and follow up the results, and each took two days to do this. The Managing Director of this firm thought that this was time well spent as it created a robust baseline. Another supply chain business followed up the audit during their customised programme by undertaking a survey in order to involve a greater number of employees. This was undertaken with a sample of employees from the “*grassroots*” through to management. The supply chain business used a survey as they wanted to understand the state of play across the firm.

The audit scored supply chain businesses’ current performance on a scale of 0-5 for each of the 18 questions and seven areas of high performance working. This enabled the supply chain businesses to identify what they do well and where there is room for improvement. Jaguar Land Rover found that supply chain businesses were often aware they had a need, but needed the audit to help them to understand what their exact need was in more detail. Overall the highest scoring areas in the audit were customer relations and innovation. The lowest scoring areas overall were staff engagement and values.

The baseline position identified by the audit informed subsequent development of the tailored support package if the business chose to progress.

2.4.2 Support Programme

The supply chain businesses consulted liked the autonomy they had in designing the support package they received. For example, one supply chain businesses used the support to create a training programme for the next generation of managers in their firm. Another supply chain business created three projects, each addressed a development point identified by the audit covering communication, values and lessons learnt. One of the supply chain businesses also decided that it was important to take those receiving the support off-site so hired a venue for the coaching days. This was thought to be important to ensure those attending were not distracted by day-to-day tasks.

Supply chain businesses were complimentary about the support they had received from the consultancy and Jaguar Land Rover. In particular, the supply chain businesses found the meetings between the supply chain businesses involved beneficial and they found the environment for discussion open and honest. There was one supply chain business that thought the separation of the project from the procurement/purchasing teams was beneficial as it enabled more open discussions as it reduced the risk of any perceived weaknesses impacting on contracts.

2.4.3 Re-audit

At the time of undertaking the case study, no supply chain businesses had completed a re-audit to assess their distance travelled. This reflects the fact that Project has taken longer to implement than first expected. Each stage has tended to take longer, reflecting that the supply chain businesses are busy with day to day issues and that the customised programme requires a significant amount of time to be committed by senior people. Moreover, designing and implementing new practices in relatively large supply chain businesses takes time to ensure that the approach is right and then that those delivering and impacted by the new approach fully understand what is happening.

Jaguar Land Rover hope that the re-audit will show the progress made by supply chain business to improve and increase their high performance working practices. They are optimistic that there will be some significant benefits in the businesses, with one identifying a possible benefit of several hundred thousand pounds in their machine room.

2.5 Outcomes

While it is still very early to identify outcomes there were some encouraging early signs. These were identified by the supply chain businesses that contributed to the case study and Jaguar Land Rover. This section is structured around the challenges of Productivity Challenge 2.

2.5.1 Raising the capability of leaders and managers to align skills, job design and other workplace practices to support high value firm strategies

This project was unusual in Productivity Challenge 2 in tackling leadership and management skills alongside workplace practice. One of the other projects did similar, while the others focussed more narrowly on practical skills. This more in-depth approach required more intensive engagement from the supply chain businesses and took longer to action.

There was some evidence to suggest that the capability of leaders and managers in supply chain businesses to align skills, job design and other workplace practices to support high value firm strategies had been raised. Examples included:

- Improved managerial performance
- Improved company culture.

There was some anecdotal and observational feedback that the High Performance Working Project had raised the capability of some managers. For example, a Managing Director of a supply chain business that benefitted from the customised support programme found some of the managers in his company had improved capability:

“Some people [employees] really surprised me. They have really taken on the learning and I would say they are now some of our best managers. I would not have said this [about them] before.”

Jaguar Land Rover Supplier

2.5.2 Boosting demand for management and leadership skills

Both of the of the supply chain businesses consulted that enrolled onto the full customised programme of support thought that they would have sought a similar programme had Jaguar Land Rover not have offered it. In at least one case they might have gone back to a previous supplier, although they had not been particularly impressed with them. There were also concerns about costs. In this sense, the Jaguar Land Rover customised programme offered a higher quality offer at a lower price.

There was one supply chain business that once engaged and receiving support from Strategic Capabilities Ltd, chose to increase their engagement and they acquired further tools and support through two additional customised programmes. They chose to do this as they could see the benefit of the resources as a result of their engagement in the customised programme. This is an example of boosting demand as the company has sought further support following their initial engagement.

One barrier to increasing demand was firms not knowing how the deployment of such tools would support what areas of the business. While the audit might highlight shortcomings, some firms lacked the ability, skills and knowledge to know what they should then do. This is potentially important, suggesting an important role of the prime or an intermediary to help firms think through how to take forward the results of the audit.

Looking further out the Supplier Skills Network Group is providing a forum where staff from firms who have participated in the programme can share their experiences with others in the supply chain. Moreover the toolkit will be available to other supply chain businesses.

2.5.3 Increasing social capital of managers, levels of interaction, and opportunities to learn from their peers and best practice

The High Performance Working Project utilised existing Supplier Skills Networks that Jaguar Land Rover had established. The initial companies involved were already known to one another because of the group, although more companies did join the West Midlands group as the Project progressed.

The supply chain businesses found the Supplier Skills Network a good forum to discuss the Project. In particular, the feedback event, where each company provided an overview of how the Project had been applied in their business, was thought to be insightful. A supply chain business consulted welcomed the opportunity to share their hard work and have discussions with others about what they had done.

The supply chain businesses were complementary about the Supplier Skills Network meetings and thought that they had a 'share and learn' culture. They thought that Jaguar Land Rover encouraged them to be open and honest, by being open and honest themselves.

2.5.4 Outcomes for Jaguar Land Rover

The outcomes for Jaguar Land Rover were unclear at the time of writing as it was too early for these to be assessed. Jaguar Land Rover are developing ways to assess the return on investment, but thought that it would be difficult to measure the impact of the Project to them in financial terms. Many of the changes are relatively intangible and will have an indirect and longer term impact on the performance of the supply chain. However, in that timescale there are likely to be many different “*moving parts*” which makes it difficult to be certain about what action or activity is responsible for any improvement that is achieved. That said, they were confident that the changes been pursued would lead to more robust and flexible businesses, better able to meet the demand Jaguar Land Rover would make of its supply chain.

2.6 Learning

The outcomes presented in the previous section demonstrate how high performance working practices has contributed to the wider research questions. This section focuses on learning in relation to the specific research questions.

2.6.1 The strategic influence and role of supply chains in relation to skills and workforce development

Jaguar Land Rover were able to encourage their supply chain to upskill through the High Performance Working customised programme. The Project reflected a more general view by the firm that they had to move beyond viewing the supply chain as a ‘machine’ and rather view it in a more organic way which meant that it had to be nurtured and developed through its people.

The connection of the Project to Jaguar Land Rover was the main appeal to one supply chain business. The other two supply chain businesses thought the connection to Jaguar Land Rover was a “*nice to have*” aspect but it was not the main reason for their engagement.

A supply chain business thought that the combining of skills training with commercial interests was a positive step for the future:

“We like the route that things are taking, that training and learning has been wrapped up by Jaguar Land Rover alongside what we do day to day.”

Jaguar Land Rover Supplier

The UKCES branding was thought to be beneficial when communicating the Project to the supply chain. Jaguar Land Rover thought that having the “*stamp of government*” enabled them to engage the supply chain with greater ease than if the Project was solely Jaguar Land Rover branded. It demonstrated the wider needs of the economy and suggested it was a good thing to do, rather than it just being focussed on the needs of a single prime.

One issue for Jaguar Land Rover to consider in future is: should the HPW support programme continue and, if so, should it be voluntary? The former question is likely to depend on the outcomes achieved and perhaps the availability of further support. While this type of activity is seen as important, it often comes behind the need to invest in the product.

If similar activities are delivered in future they may remain voluntary, with supply chain businesses opting in. The exception may be firms which are struggling but do not want to engage. In such cases it might be that although they are not coerced they are shown the results achieved by others and provided with “*a mirror on their own performance*” to motivate them to engage.

2.6.2 How operational influence can be exerted through a supply chain business to engage them in skills development activities

Following the initial audit, supply chain businesses were able to design their own customised programme of support through the High Performance Working Project. During this process supply chain businesses were supported by Jaguar Land Rover and an external consultancy to ensure the programme was appropriate for their business and would enable them to achieve what they wanted to.

The two supply chain businesses that progressed to the full programme of support liked that the support programme was not “*set in stone*”. They thought that the approach taken by Jaguar Land Rover was a “*common sense style*”. If the programme of support had been more prescriptive and less flexible the supply chain businesses were unsure if they would have engaged.

2.7 Concluding thoughts – key points

Jaguar Land Rover is undergoing a major expansion. This is placing additional needs on businesses in its supply chain, which it requires to grow at a similar rate. However, in the past the focus of supply chain development activity was on technical output, and not the wider operation and capability of the businesses or their management. The requirement for growth has highlighted the need for greater investment in management capability to deliver high performance working practices.

The project has demonstrated that:

- Although supply chain businesses were aware of some shortcomings they were often not investing to meet these needs, hence the attractiveness of the offer from the prime
- The attractiveness to supply chain businesses was enhanced by the fact that it was the prime making the offer. They saw advantages of affiliating themselves with a Project that the prime was promoting. It also helped that previously the prime had encouraged a “share and learn” culture through its Supplier Skills Networks
- Clear and professional communication of the Project from a trusted person from the prime also encouraged participation
- The offer to become involved was genuinely voluntary, reflecting that businesses would need to invest a considerable amount of time, and it was feared that if they were coerced to take part they would not commit fully or in the right spirit
- Supply chain businesses were willing to pay for the support, and some topped up the original price to gain additional support, but were in part attracted because the price was lower than similar programmes
- The audit tool has been a useful way of helping businesses to understand their own needs in more detail and provides a baseline against which change can be measured
- This type of activity is acknowledged by the prime and supply chain businesses to be important. However, there is concern about the costs of delivery and it is difficult to show a direct return for the investment of this type of intervention. In the sector investment will often be allocated first to the product, and so this type of activity may decline if wider, public funding and support is not available.

Annex A: Key areas covered by the audit

The 18 topics covered by the self –assessment questionnaire:

1.ENGAGE

1a The quality of communication

1b. Alignment of employee's roles with business goals and aspirations

2.ENABLE

2a. Training and development of employees

2b. Capacity/capability building in line with business needs

2c. Level of team working in the business

3.ENERGISE

3a. Quality of Leadership

3b. Level of empowerment

3c. Motivational practices and incentives

4.ORGANISATIONAL CAPABILITY

4a. The role of innovation

4b. Learning & development policies and practice

5.CULTURE

5a. Company values

5b. Company values and HPW

5c. HPW and delivery of company intentions

5d. Every-day actions

6.CUSTOMER RELATIONS

6a Established Framework for supporting customers

6b. Working relationship with customers

6c. Delivering exceptional customer experience

6d Creating advanced customer relationships

The UK Commission for Employment and Skills (UKCES) is a publicly funded, industry-led organisation providing leadership on skills and employment issues across the UK. Together, our Commissioners comprise a social partnership of senior leaders of large and small employers from across industry, trade unions, the third sector, further and higher education and across all four UK nations.

UKCES

Renaissance House
Adwick Park
Wath-upon-Deerne
South Yorkshire
S63 5NB
United Kingdom
T +44 (0)1709 774 800

UKCES

Sanctuary Buildings
Great Smith Street
Wesminster
London
SW1P 3BT
T +44 (0)207 227 7800

www.gov.uk/ukces
info@ukces.org.uk
[@ukces](https://twitter.com/ukces)