
An assessment of management systems and business performance in the UK food and drinks industry

UK food and drinks industry

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Abstract *The findings of a study investigating the performance of the UK food and drinks industry against the European Business Excellence Model are presented. The study involved 50 food companies assessing themselves (by questionnaire) against the nine criteria of the model. The major finding of the study was that, on average, food and drinks companies have less well developed management systems than other industries. Its main areas of strength are in resource and process management and its main areas of weakness are in policy and strategy, customer satisfaction, people satisfaction and impact on society. For the food industry to move forward, more companies should consider using self-assessment as a method for identifying improvement opportunities and assessing their progress towards business excellence.*

Introduction

On 27 June 1996, the "Food and Drinks Industry Benchmarking and Self-Assessment Initiative" was launched. This initiative, managed by Leatherhead Food Research Association and supported by the Ministry of Agriculture, Fisheries and Food (MAFF) and the Department of Trade and Industry (DTI Small Statistics Office, 1997), aims to improve the competitiveness of the UK food and drinks industry by increasing the awareness and use of practical business improvement techniques.

An important part of this initiative has been the provision of a food and drinks industry (FDI) self-assessment programme. This programme enables companies to assess their management systems and business performance against the respected European Business Excellence Model (British Quality Foundation, 1998a). Participating companies form a self-assessment team and through consensus complete a self-assessment questionnaire, which following expert analysis, in turn leads to a customised action plan highlighting suggested moves forward for the company.

At present, over 50 food companies have taken part in the self-assessment programme. The purpose of this paper is to present a summary of the results and comment on the implications for the industry. This will include a

comparison of food industry performance against that of other industries (insurance, automotive and aerospace). Before these results are presented, some background to the reasons why an increasing number of companies are using self-assessment is given.

Background

In the 1990s, throughout the UK, there has been an increasing number of companies assessing their management systems and performance against business excellence models. A recent UK survey involving 679 quality managers and human resource managers indicated that 35 per cent of companies were using self-assessment or intending to use it (Hyde, 1996). Within the food industry itself there are approximately 1,885 companies with more than 20 employees (DTI Small Firms Statistics Office, 1997). Of these it is estimated that at least 8 per cent have applied a self-assessment (Mann *et al.*, 1998) with many more intending to use it (over 400 companies have contacted Leatherhead about its benchmarking and business excellence services since February 1996).

This growth in the use of self-assessment techniques has primarily occurred because it has become increasingly recognised that, for a company to achieve long-term success, other measures, in addition to financial, are needed. It is only through applying a wide range of “business excellence measures” that meet the needs of customers, employees, shareholders and other stakeholders such as the community at large that a company will begin to be able to assess its overall business health and therefore take steps to improve. Undoubtedly, as reported by Dresser (1997), too much reliance on financial measures can mean that one day a company is leading the profitability tables and the next it is out of business.

Work by the Centre for Tomorrow’s Company has helped to highlight the need for businesses to adopt a more enlightened approach to business management, which addresses all stakeholder needs. Its report, *The Inclusive Approach and Business Success* (Centre for Tomorrow’s Company, 1998) brings together evidence from a number of studies showing that there is a clear link between such approaches and long-term competitiveness. In addition, a MORI survey (1996) identified that seven out of ten business leaders agreed that a successful business would better serve its shareholder needs by focusing on customers, employees, suppliers and the wider community.

This growing appreciation of stakeholder needs is reflected in the growth in use of business excellence models. These models provide a framework with which businesses can assess their management systems in relation to the results achieved for its stakeholders. The three most recognised models used are: the European Business Excellence Model (used primarily in Europe), the Malcolm Baldrige Model (used primarily in the USA) and the Deming Model (used primarily in Japan). In terms of the models themselves, there are more similarities than differences. In particular, over the last few years, the Baldrige

criteria and European Business Excellence criteria have moved closer together. For a full discussion on the different models, including their strengths and weaknesses, refer to Hakes (1997) or Porter and Tanner (1996).

Whilst leading organisations in these parts of the world compete to win awards against these models, the main purpose of the awards is to encourage more companies to adopt business excellence principles and improve their countries'/continents' competitiveness. The main attraction of the models is that they are easy to understand and serve as practical tools enabling companies to assess all their business processes against business excellence principles. This enables organisations to identify their strengths and weaknesses objectively and develop action plans for improvement. As the models are widely used, it also enables company to company (or business unit to business unit) comparisons, thus becoming an important benchmarking tool.

The model that is being promoted in the food and drinks industry is the European Business Excellence Model (see Figure 1). The European Business Excellence Model is divided into two groups – the enabling criteria and the results criteria. The enablers are primarily looking at how the organisation is managed whilst the results look at the achievements of the organisation. The basis for the model itself is that customer satisfaction, people satisfaction, impact on society and, ultimately, excellence in business results can be achieved through leadership driving policy and strategy, people management, resources and processes. Definitions of the nine criteria (BQF, 1998a) are as follows:

- (1) *Leadership*. How the behaviour of the executive team and all other leaders inspire, support and promote a culture of business excellence as the best way to achieve the organisation's objectives.

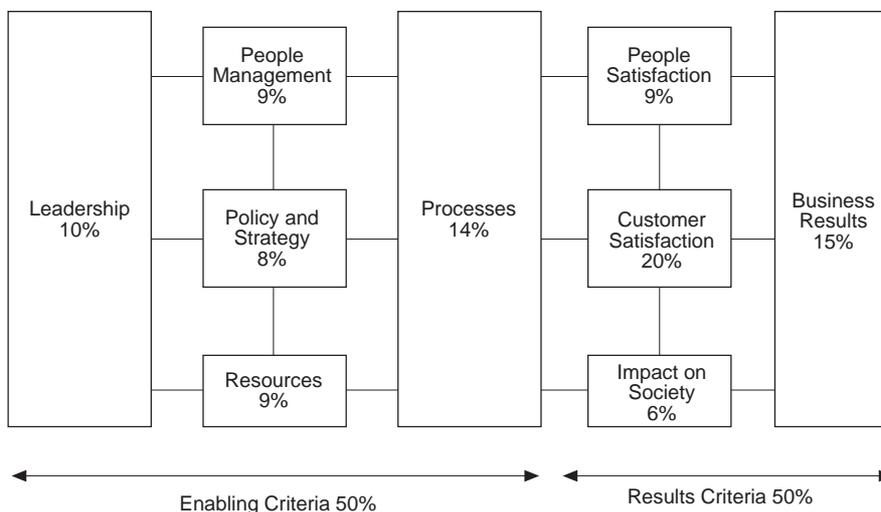


Figure 1.
European Business Excellence Model

- (2) *Policy and strategy.* How the organisation formulates, deploys, reviews, and turns policy and strategy into plans and actions.
- (3) *People management.* How the organisation releases the full potential of its people.
- (4) *Resources.* How the organisation manages resources effectively and efficiently.
- (5) *Processes.* How the organisation identifies, manages, reviews and improves its processes.
- (6) *Customer satisfaction.* What the organisation is achieving in relation to the satisfaction of its external customers.
- (7) *People satisfaction.* What the organisation is achieving in relation to the satisfaction of its people.
- (8) *Impact on society.* What the organisation is achieving in satisfying the needs and expectations of the community at large (as appropriate).
- (9) *Business results.* What the organisation is achieving in relation to its planned objectives and in satisfying the needs and expectations of everyone with an interest or other stake in the organisation.

For assessment purposes against the model, the nine criteria are allocated weightings so that a company's performance can be assessed against a score of 1,000 points. The British Quality Foundation (BQF, 1998b) have identified a number of ways of assessing a business against the model. The seven principal ways are:

- (1) *An award simulation approach.* This approach involves writing a full submission document along the lines described in the UK Quality Award for Business Excellence application brochure (BQF, 1998a). Based on the evidence within the submission document and supporting evidence from a site visit, internal or external assessors score the organisation.
- (2) *A pro forma approach.* This involves a pro forma being designed for each of the 32 criteria parts. Each pro forma would require the organisation to record how it addressed that particular criterion, its strengths, weaknesses, and actions for improvement.
- (3) *A workshop approach.* This approach usually involves a senior management team gathering data and evidence to present to peers at a workshop. At the workshop, performance against the model is scored and action plans are agreed upon.
- (4) *A matrix chart approach.* This involves the creation of a company-specific achievement matrix within the framework of the European Business Excellence Model. It typically consists of a series of statements of achievements for each criterion using a scale of 1-10 points. Individuals or teams use the matrix to score their business processes/organisation.

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- (5) *A questionnaire approach.* Consists of a set of questions to assess the organisation's performance for each criterion.
 - (6) *A software approach.* This usually involves an independent organisation managing a programme in which many companies complete a questionnaire and have their scores logged on a central database. This enables organisations to have their scores compared against those of other organisations with similar profiles and compare themselves against best practices.
 - (7) *A peer involvement approach.* This approach has many similarities to the Award simulation approach but allows the business unit complete freedom in putting together its "submission", which may at one extreme be a set of existing documents, reports, graphs, etc. and at the other extreme something very close to an Award application document.

The decision of which approach to use depends on the company's objectives and level of quality maturity. For example, if a company is at an early stage of business excellence, it may prefer to adopt a relatively straightforward framework, possibly with the aim of assessing its current position and the distance to be travelled on the way to best practice. In contrast, an organisation that has attained world-class performance is more likely to have a more sophisticated self-assessment framework with the aim of maintaining a leading edge. In general, it is recommended that companies in the first instance use a questionnaire approach to self-assessment and then develop, if required, a more sophisticated approach.

Food and drinks industry self-assessment programme

In February 1996, the decision was made by Leatherhead Food RA, MAFF and the DTI to promote a self-assessment programme developed by Bywater plc and the Society of Motor Manufacturers and Traders (SMMT). The reason this programme was chosen was that it:

- (1) encouraged the use of the European Business Excellence Model – the model that was felt to be most relevant to UK industry as British companies are involved in its development and modification through the British Quality Foundation and European Foundation for Quality Management;
- (2) had already been running successfully for two to three years in a number of other industries (notably the automotive, aerospace and insurance industries).

The launch of the FDI's self-assessment programme was staged at Leatherhead Food RA's Benchmarking Conference in June 1996. Over 100 delegates attended this event, at which complimentary self-assessment packs were given out. Since the launch, over 150 self-assessment packs have been distributed to food companies, from which over 50 self-assessments have been completed and returned.

The self-assessment process

The self-assessment programme involves the distribution of self-assessment packs to interested companies. These packs consist of:

- an introduction to the pack;
- a 3.5-inch IBM computer diskette;
- a facilitator's guide;
- a team member's guide;
- an assessment questionnaire;
- an assessment scorecard.

The main element of the pack is the questionnaire, consisting of 85 questions that assess the development of the organisation against the European Business Excellence Model criteria. Examples of the questions asked are shown in Table I (for a full copy of all the questions refer to Mann and Adebajo, (1997)). Each participating organisation is encouraged to appoint a facilitator and a team of four to six people. The facilitator should lead the assessment and ensure that each team member completes a questionnaire independently. His responsibility is then to bring the team together so that it can reach a consensus of opinion for the scoring of each question. For this meeting to be at its most effective, objective evidence to support opinions should be encouraged.

Once the organisation has completed the questionnaire, a diskette with the responses is posted to Bywater plc for analysis by a competent assessor. A confidential report based on performance is then prepared. Primarily, the report shows:

- the organisation's rating against every category of the criteria;
- the organisation's rating in comparison with other food companies;
- organisational strengths and weaknesses;
- actions to address the weaknesses;
- a recommendation of priority focus.

The value of the self-assessment process itself is that it provides a structured approach for a cross-section of senior managers to get together and discuss all aspects of their business. In addition, the feedback report helps companies to develop an action plan for improvement.

The intention is that companies undertake these self-assessments year on year to monitor the improvements made. For those companies serious about business improvement it is to be expected that they will also develop their own tailored self-assessment methods against the business excellence model.

The design of the self-assessment questionnaire

As already discussed, the self-assessment questionnaire was developed by Bywater plc and the SMMT. The questionnaire was designed so that it could be

Criterion	Question
Leadership	Our senior executives work as a team: (1) never (2) occasionally (3) often (4) always
Policy and strategy	The policy and strategy statements are: (1) not linked into the business plan (2) linked into the business plan in some aspects (3) linked into the business plan in many aspects (4) used in entirety to drive the business plan in all aspects
People management	Performance targets are set: (1) for departments only (2) for departments and individuals (3) from business objectives for individuals and teams, with their involvement (4) from business objectives for individuals and teams, with their involvement plus performance is self-monitored; managers review progress
Resources	Fixed assets are assigned to: (1) no one or to no department (2) user departments who are responsible for asset security (3) individuals responsible for security and effectiveness utilisation (4) individuals responsible for security and effectiveness utilisation, plus utilisation effectiveness reviewed at least annually
Processes	Critical processes have: (1) no special treatment compared to other processes (2) process owners who are responsible for process performance (3) output and process standards set to meet stakeholder needs (4) routine monitoring and performance reviews
Customer satisfaction	Our measurement of customer satisfaction is based on: a) what our managers believe our customers think about us b) what the sales department think; mostly covers product performance c) <i>Ad hoc</i> surveys of customers, whenever serious problems arise d) Regular customer surveys; cover all aspects of performance
People satisfaction	We measure employee satisfaction and set improvement targets: (1) rarely or never (2) based on improving our current scores (3) based on comparison with companies regarded as leaders in the field (4) based on comparisons with companies regarded as leaders in the field plus rarely make changes at the expense of employee satisfaction
Impact on society	Where there are no statutory limits for environmental impacts, the company has set its own limits: (1) never (2) occasionally (3) for some impacts (4) for many impacts, and ensures it meets them by measuring
Business results	Over the last three years, our average return on capital employed (ROCE) has been: (1) less than 3 per cent per annum (2) between 4 and 7 per cent per annum (3) between 8 and 14 per cent per annum (4) greater than 15 per cent per annum

Table I.
Examples of self-
assessment questions

quickly applied using limited resources and yet provide a company with a good indication of how it performed against the European Business Excellence Model and other companies in the industry. It was not designed to provide a truly accurate assessment against the model but a guide to how a company would perform if it undertook a more rigorous award simulation approach that requires external assessors.

With this in mind, the questionnaire was designed so that it addressed the areas highlighted by the nine business excellence criteria and 32 sub-criteria, as shown in the UK Quality Award for Business Excellence document (BQF, 1998a). The design of the questionnaire, its structure, the number of questions, and the question format were decided upon after many discussions and trials with the members of the SMMT. For more information on this process, contact Bywater plc or the SMMT (see “further information”).

In total, 85 questions were decided upon. A table showing the number of questions for each criterion is shown in Table II. For each question, as shown by Table I, there were four multi-choice answers, which could be selected. These scored 1, 2, 3 or 4 points depending on how closely the answer reflected the UK Quality Award guidelines. The points were then aggregated for all the questions within a criterion and divided by the number of questions to obtain an average score for the criterion. These scores were then multiplied by 100 to give a score out of 100 (a normalised score) for each criterion. The business excellence model weightings were then applied to each criterion as shown in Table II. By applying these weightings and aggregating the scores of all the criteria, an overall business excellence score was obtained.

The success of the questionnaire approach has been its simplicity and its ability to provide quick feedback to a company on its performance. It has now been used in four business sectors (with the support of major trade associations) and used within over 300 companies.

Profile of companies participating in the self-assessment programme

For reasons of confidentiality, the companies that participated in the self-assessments will remain anonymous. A breakdown of the profiles of the first 50 companies involved is shown in Table III and Table IV. Table III shows that

Criterion	Number of questions	Business excellence weighting
Leadership	9	1.0
Policy and strategy	6	0.8
People management	9	0.9
Resources	6	0.9
Processes	25	1.4
Customer satisfaction	9	2.0
People satisfaction	7	0.9
Impact on society	5	0.6
Business results	9	1.5

Table II.
Questionnaire scoring system

the size of company varied from the very small (some companies had fewer than 20 employees) to the large multinational organisations. Table IV shows the breakdown of companies by activity using the standard industrial classification system. As shown, they represent almost all food and drinks industry activities.

Food industry results

This section provides an overview of the food industry's performance against the European Business Excellence Model. It reports on the feedback from the first 50 companies to take part in the FDI self-assessment programme.

Spread of food industry scores

Figure 2 shows the distribution of scores within the industry and compares them with world-class performance. As a guide, a truly world-class company would score between 800 and a maximum of 1,000 points. European Quality Award winners (such as Rank Xerox Ltd (in 1992), Milliken European Division (in 1993), D2D Ltd (in 1994), Texas Instruments Europe (in 1995), Brisa (in 1996) and SGS-Thomson Microelectronics (in 1997)) would expect to score between 650 and 800 points. Companies on the way to excellence with the basics of a business excellence philosophy would be scoring 300 plus.

If we now look at the food industry scores – they vary from 61 to 457, with the majority of scores (64 per cent) falling in the region of 151 to 250, with an average score (median value) of 219. Only 18 per cent of food companies would be considered as developing along the lines of business excellence. Also note that the industry average score from these 50 companies is likely to be slightly higher than the true average industry score as companies that take part in such initiatives are usually more progressive.

Scores by criterion

Figure 3 shows a breakdown of the food industry scores by each criterion. For each criterion the minimum, maximum and average scores are shown after they have been normalised against a 100 point scale.

The main findings are that the food industry is strongest at resource and process management. This comes as no surprise, as these areas typically need strong control to ensure that the supply chain, from the raw materials to

Number of employees	Percentage
Fewer than 50	16.3
50 - 100	13.9
100 - 150	23.3
150 - 200	11.6
200 - 500	16.3
Over 500	18.6

Table III.
Employee profiles of 50 self-assessed companies

BFJ 101,1	SIC Code	Description of activity	Number of companies
14	15.11	Animal slaughter, by-product processing and fellmongery	0
	15.12/13	Meat processing and preserving	6
	15.20	Fish processing and preserving	6
	15.31	Potato processing and preserving	1
	15.32/33	Manufacture of fruit and vegetable juice	1
	15.41	Manufacture of crude oils and fat	0
	15.42	Manufacture of refined oils and fat	0
	15.43	Manufacture of margarine and similar edible fats	1
	15.51	Production of liquid milk, cream, butter, cheese and other milk products	8
	15.52	Manufacture of ice cream	0
	16.61	Grain milling and manufacture of cereal products	1
	16.62	Manufacture of starch and starch products	3
	15.71	Manufacture of prepared feeds for farm animals	1
	15.72	Manufacture of prepared pet foods	0
	15.81	Manufacture of bread; manufacture of fresh pastry goods and cakes	2
	15.82	Manufacture of rusks and biscuits; manufacture of preserved pastry goods	4
	15.83	Manufacture of sugar	0
	15.84	Manufacture of cocoa, chocolate or sugar confectionery	2
	15.85	Manufacture of macaroni, noodles, couscous and similar farinaceous products	0
	15.86	Tea or coffee production	0
	15.87	Manufacture of condiments and seasoning	5
	15.88	Manufacture of homogenised food preparations and deictic food	0
	15.89	Manufacture of soups and other food products not elsewhere classified	2
	15.91	Manufacture of distilled potable alcoholic beverages	0
	15.92	Production of ethyl alcohol from fermented materials	0
	15.93/94	Manufacture of wine, cider, perry and other fermented fruit beverages	0
	15.95	Manufacture of other non-distilled fermented beverages	1
	15.96	Manufacture of beer	1
	15.97	Manufacture of malt	0
	15.98	Production of mineral waters and soft drinks	2
	N.A.	Research and Development Laboratories	3
	N.A.	Catering contractor	1
N.A.	Retail	1	
N.A.	Distribution	1	
N.A.	Packaging	1	
N.A.	Not known	2	

Table IV. Activity profile of 50 self-assessed companies **Note:** Companies have been classified, wherever possible, using the Standard Industrial Classification of Economic Activities (Office for National Statistics, 1992). In some cases companies have been classified under two or more codes if appropriate

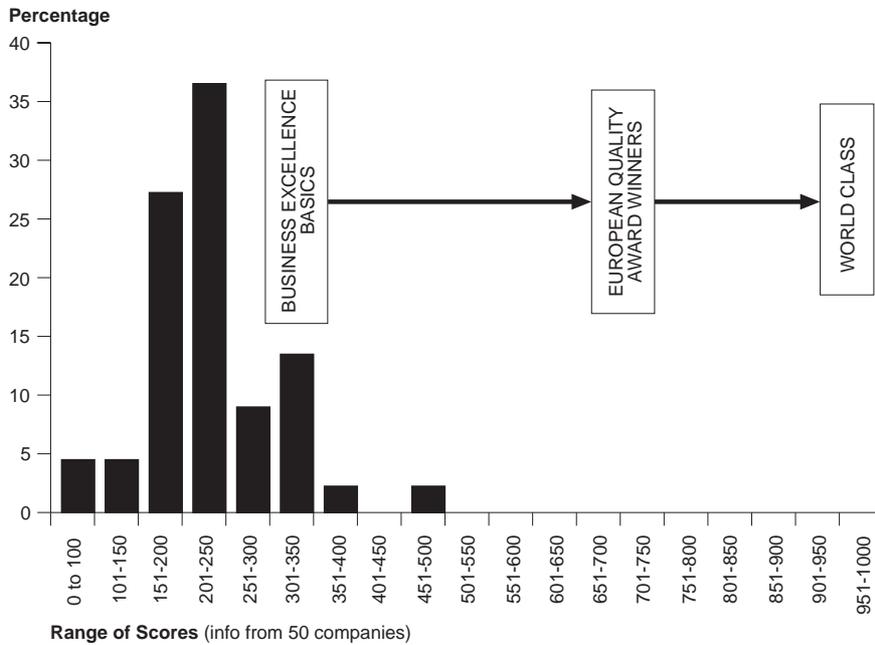


Figure 2.
Spread of food industry scores

manufacture and to delivery to the consumer, is met. The food industry has been quick to adopt food safety and quality systems that help to ensure the smooth running of these operations.

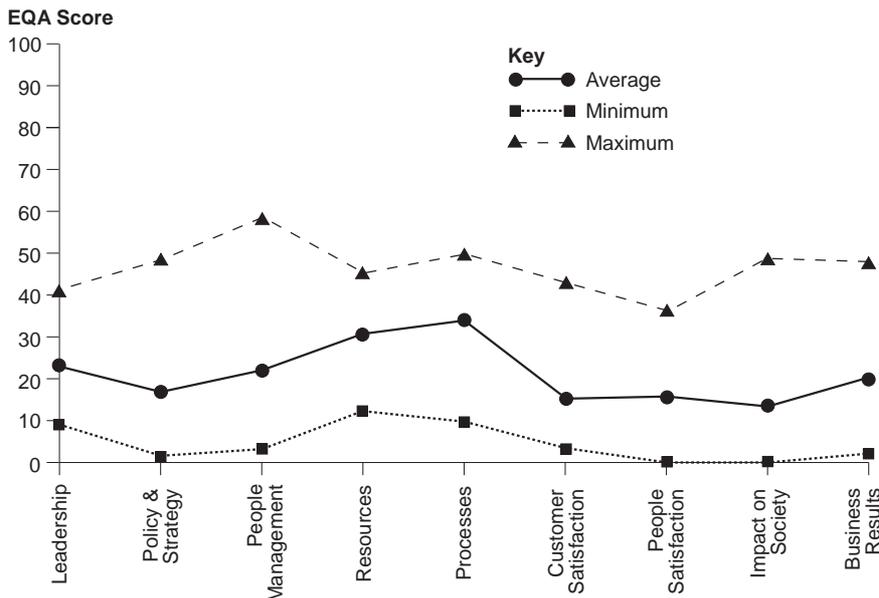


Figure 3.
Performance of the food industry by business excellence criteria (based on information from 50 companies)

Its prime areas of weakness are in the results criterion, customer satisfaction, people satisfaction and impact on society, and in the enabler criterion policy and strategy. Examples of some of the assessment results that highlight these weaknesses were:

- 86 per cent of companies do not carry out regular surveys of customer satisfaction.
- 62 per cent of companies do not set customer satisfaction targets.
- 72 per cent of companies do not measure employee satisfaction (e.g. by employee surveys).
- 93 per cent of companies do not empower their workforce to initiate and drive improvement themselves (e.g. usually ideas are sought from employees and management drive the improvements).
- 48 per cent of companies do not have a policy for increasing the use of recyclable materials and, of those that do, 45 per cent report that the policy is limited in its effectiveness.
- 78 per cent of companies never or only occasionally encourage their employees to contribute to the local community.
- 88 per cent of companies did not take into account the views of all their stakeholders (shareholders, customers, employees and the community) when last reviewing policy and strategy.
- 55 per cent of companies failed to identify (in any depth) the resources required to deliver the objectives defined in their company strategy.

Looking at the range of scores for each criterion, the widest disparity is for people management, with one company scoring a normalised score of 59 and another scoring only 3. This shows that, within the food industry, there are significant differences in the styles of management in terms of empowerment, methods of communication and development of people.

Comparison with other industries

Figure 4 shows a comparison of the average (median) scores of four different industries. The results show that the food industry scores are nearly 20 per cent lower than those in the automobile industry, 10 per cent lower than those in the insurance industry, and 3 per cent lower than those in the aeronautical industries.

Figure 5 shows the performance of each of the four industries against the nine European Business Excellence Model criteria. It can be seen that the food industry's performance is lower against all the nine criteria than that of the automotive industry; it outperforms the aerospace industry on one criterion (resource management) and outperforms the insurance industry on three criteria (resource management, processes and impact on society).

In terms of comparisons with the automotive industry, the major differences are in people management and business results. The main similarities are in

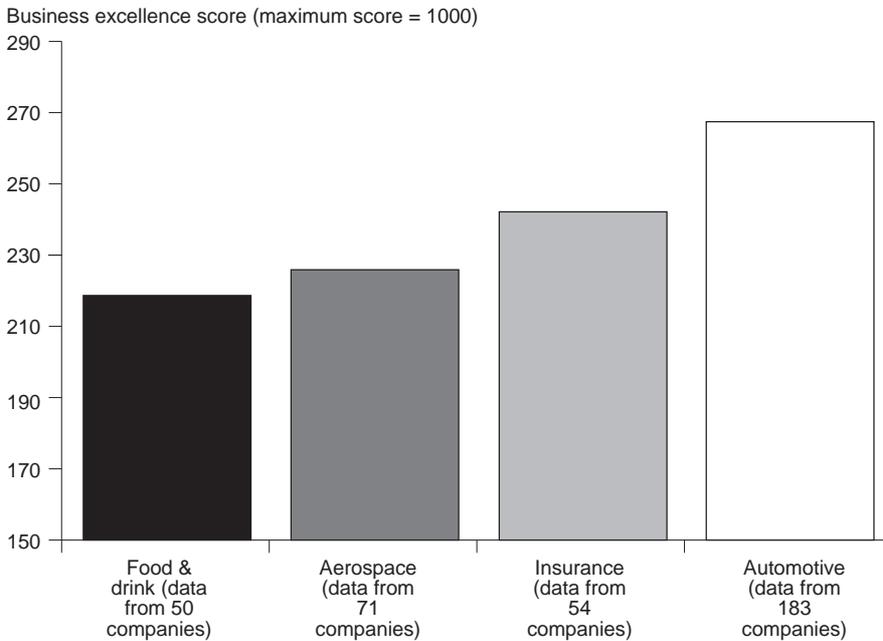
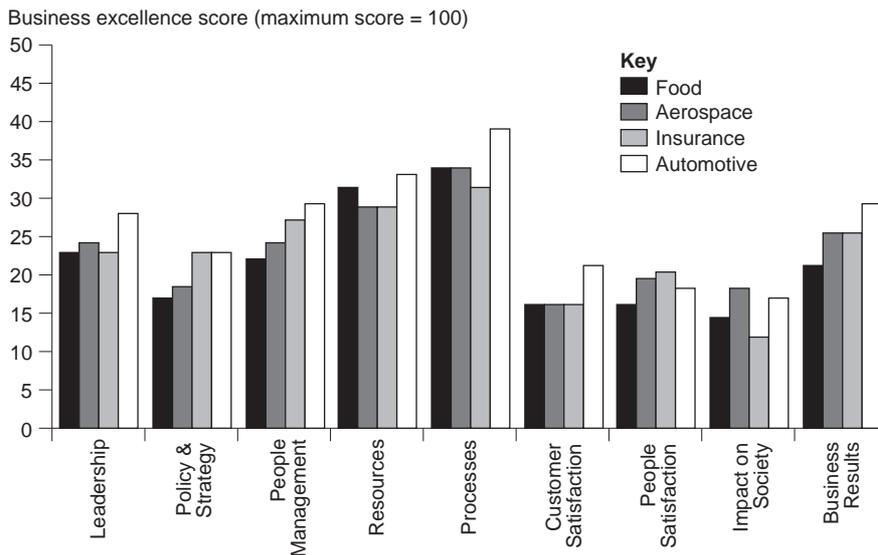


Figure 4. Food industry vs other industries: comparison of business excellence scores

management of resources and people satisfaction. It is interesting to note that, although there is a large difference in people management scores between these industries, this is not reflected in the people satisfaction results. The reason for this is believed to be that, owing to the automotive industry's greater



Information from 50 food, 54 insurance, 71 aerospace and 183 automotive companies

Figure 5. Food industry vs other industries: comparison of scores against each criterion

understanding of people management issues and the greater levels of feedback it has from its workforce, it can provide a more accurate assessment of people satisfaction within its industry.

Of major concern is the relatively poor performance of the food industry in terms of business results. The business results criterion considers both the financial and non-financial predictor results used by companies. The results indicated that, whilst many companies recorded a healthy return on capital employed (almost three-quarters recorded average ROCEs of more than 8 per cent per annum, with 31 per cent exceeding 15 per cent ROCE per annum), a large number of companies recorded lower profit levels and profit growth than the other comparable industries. In addition, the results showed that food companies were not as good as other industries at meeting financial targets, using appropriate non-financial indicators, and were less likely to benchmark their results against best-in-class figures.

These findings are supported by a Strathclyde University Report (Strathclyde University, 1996). This report, using figures from the CCN Group, see Table V, revealed that, in regard to return on capital employed the sector was among the top six sectors. However, average pre-tax profit margins were in the bottom half of the industry league table and debt and borrowing remain at high levels. This was further reflected in the performance of the food industry share price index (Strathclyde University, 1996) in comparison with movements in share prices generally. Improvements in performance were less than for manufacturing as a whole. This report suggests that massive investment which has led to growing debt in the food industry, has not yet paid off in terms of productivity and profitability.

To identify how the competitiveness of the food and drinks industry can be improved was the task of a Leatherhead Food Research Association study (Leatherhead Food RA, 1994) set up by MAFF and the DTI in 1994. This study indicated that the two most important factors identified by companies as affecting the competitiveness of the industry were the forces of competition at retail level being fed back to manufacturers, and the absence of a "level playing

Ratio	Food manufacturing	British industry
Return on capital (%)	13.24	11.39
Return on assets (%)	8.43	7.68
Pre-tax margin (%)	5.56	7.29
Return for shareholders (%)	22.52	18.87
Borrowing ratio (%)	105.01	64.63
Equity gearing (%)	37.44	38.63
Debt gearing (%)	78.95	50.92
Interest cover (times)	4.42	4.23
Current ratio (times)	1.22	1.31
Asset utilisation (times)	3.98	2.18

Table V.
Industry ratios of 1995 **Source:** CCN Corporate Health Check

field” faced by UK manufacturers relative to competitors in the rest of the European Union. An additional reason provided by the Strathclyde Report (Strathclyde University, 1996) pointed to the slow growth in the demand for food in the industry as a whole. The self-assessment study, though, points to the relatively poor performance across all the business excellence criteria as key factors in affecting competitiveness. If one considers the experience of the automotive industry and the increasing evidence from business excellence studies (Centre for Tomorrow’s Company, 1998), it can be surmised that the higher business results have been realised through the achievement of higher scores right across the model. If this is so, then it is even more important that management considers implementing an improvement approach based on a business excellence model.

So why has the industry been relatively slow in adopting business excellence principles? This question is difficult to answer and requires further research. A popular answer amongst companies that took part in the self-assessment programme was that perhaps the food industry had not been exposed to the same degree of international competition as some other industries. For instance, the automotive industry has for a long time been competing internationally with countries such as Japan, the USA and Germany – companies in this industry need to look outwards in terms of their markets, technological developments and management practices if they are to survive. Within the food industry, the trend for international competition, particularly with branded products, is growing. If this is, indeed, a major factor, then it will become more important than ever for companies to implement a business excellence approach, to ensure that they are going to be fit to compete in the future.

Conclusions

The major finding of the study is that only a minority of food and drinks companies are developing their management systems along the lines of business excellence (only 18 per cent of food companies are scoring above 300 points against the European Business Excellence Model). The majority of companies are applying traditional methods of management, are not learning from the experiences of best-in-practice companies, and do not apply a systematic approach to achieving business improvement. This is reducing the competitiveness of the industry. These findings are supported by data from a cross-industry comparison – they show that the food industry performs the least well.

On the positive side there is a general recognition within the industry that there is a need for improvement. This has been shown by the number of personnel attending events or involved in self-assessments (in total, over 450 people) since the launch of the “Food and Drinks Industry Benchmarking and Self-Assessment Initiative” in 1996. Not only this, many companies have now integrated these structured techniques into their management systems. It is expected that it will not be long before companies that use these techniques

(such as Birds Eye Wall's, Cargill's plc, Campbell Soups, J. Sainsbury plc, Kraft Jacobs Suchard, J.A. Sharwoods, and Dromona Quality Foods) will be able to demonstrate that having a balanced approach to business management does bring improved financial results.

Note: For a more in-depth analysis of many of the findings shown within this paper, refer to Mann and Adebajo's *Financial Times Management Report, Business Excellence in the Food and Drink Industry* (1997).

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Further information

- Deming Application Prize, contact the Deming Prize Committee, Japanese Union of Scientists and Engineers, Tokyo.
- European Business Excellence Model, contact the European Foundation for Quality Management, Avenue des Pleiades 19c, B-1200 Brussels, Belgium. Tel: +32 2 775 3511; Fax: +32 2 779 1237 or the British Quality Foundation, 32-34 Great Peter Street, London SW1P 2QX. Tel: 0171 654 5000; Fax: 0171 654 5001.
- Food Industry Statistics, contact the Department of Trade and Industry Small Firms Statistics Unit, St Mary's House, Level 2, Co. Moorfoot, Sheffield SW14 4PQ.

Malcolm Baldrige National Quality Award, contact Malcolm Baldrige National Quality Award, National Institute of Standards and Technology, Route 270 and Quince Orchard Road, Administration Building Room A537, Gaithersburg, MD 20899-0001, USA. Tel: +1 301 975 2036; Fax: +1 301 948 3716.

UK food and
drinks industry

Self-assessment in the Food and Drinks Industry, contact Leatherhead Food Research Association, Randalls Road, Leatherhead, Surrey KT22 7RY. Tel: 01372 822316; Fax: 01372 386228.

Self-assessment Questionnaire, contact Bywater plc, Highlands House, Basingstoke Road, Spencers Wood, Reading RG7 1NT. Tel: 0118 988 6336; Fax: 0118 988 6280 or contact the Society of Motor Manufacturers and Traders Industry Forum, Forbes House, Halkin Street, London SW1X 7DS. Tel: 0345 770770; Fax: 0171 235 7112.