Family run SME Ktwo is the only UK manufacturer to offer a full range of both muck spreaders and trailers. Manufacturing quality agriculture machinery from sites in Aylesbury and Southampton, the business enlisted the help of the Manufacturing Technology Centre (MTC) to improve their operation management and team culture.

"Our output has increased and we now have solid foundations to build upon. The MTC has led a cultural change in our business and has supported the senior management team to develop as leaders, provided the training, tools and structure for long term growth as a business and as individuals."

Sam Lawrence, System & IT Manager – Ktwo

**THE CHALLENGE**

Ktwo’s primary challenges were around the day-to-day running of the business, including:

- Improving monthly cash flow
- Reducing late deliveries
- Improving team communication

Solutions needed to address operational deficiencies, including materials management, production planning, leadership culture and health and safety action support.

**MTC’S SOLUTION**

The MTC undertook a full strategic operational review to understand critical processes, key handover requirements, team communication and process times. This resulted in:

- Implementation of a governance structure over the management of health and safety actions
- Weekly management meetings focused on the Safety, Quality, Cost and Delivery elements of operations (SQCD).
- Business structure and leadership team evaluation reviews on capability, development requirements and restructure support
- Facilitation of real-time improvement workshops, driving a continuous improvement culture across the business
- The senior team now able to lead by example, supported with a hands-on approach to leadership and coaching to engage and motivate the wider team
THE OUTCOME

- External health and safety audits were successfully completed, with a structured leadership governance process in place to continue with compliance
- New business structure in place with key leadership positions filled to enable departmental sustainability and development
- Material stock management processes implemented with stock locations introduced into SAP, allowing system development to create a usable business system
- Introduction of a material control process to communicate and set realistic expectations for external customers and the operations teams
- Live production process dashboards implemented that are reviewed daily to monitor and continue to drive the business forward
- An aligned, business leadership team, leading a culture of improvement, support, performance and a one-team ethic

BENEFITS TO THE CLIENT

- 15% increase in turnover [comparing Jan-Nov 21 to 2022]
- 2022 was the business’s highest revenue year to date, with an increase of £1.3m in turnover from 2021, to £11 million
- 12% decrease in purchase spend comparing Jan-Nov 21 to 2022, due to stock control and measures introduced into purchasing
- 85% increase in On Time In Full (OTIF)
- External health and safety audit was passed for the first time with no immediate actions
- New leadership team developed with clear alignment
- Business culture change with team members engaged, supported and aligned with a ‘can-do’ approach

The MTC’s experience in manufacturing health and safety and complex HR requirements has guided us through some difficult challenges in our business. Our leadership team have learnt so much and we now have a business built to run efficiently and safely, with the right people in place to support our growth.

Zoe Bird, HR & Marketing Manager – Ktwo

85%
Increase in On Time In Full

11%
Cost reduction of raw inventory on site

15%
Turnover increase from 2021