

"Managing when the Heat is On!"

Trevor Burke

Good afternoon ladies and gentlemen my name is Trevor Burke and I am the General Manager for Warburtons in the West Midlands. Today I am going to give you an insight into the trials and tribulations that occurred at Warburtons Wednesbury bakery in early 2004 - "Managing When the Heat is On".

But first I would like to give you some background and set the scene at Wednesbury at the end of 2003. Warburtons has a vision we all share, to become Britain's favourite Baker. This means becoming, in time, the biggest brand in the UK. At the end of 2003 Warburtons was the third biggest brand, behind Kingsmill and Hovis, and the eighth largest of all grocery brands measured in value of sales. Wednesbury bakery was one of eleven manufacturing sites and contributed about 25 percent of the Company's bread making capacity.

The bakery had been producing bread at Wednesbury for just three years. By December 2003 there had been no major crisis in the Company for 127 years!

Then disaster struck! Sunday January 4th at approximately 4.15 pm a small fire was discovered, by despatch staff, at the back of the building, amongst empty baskets stored there, after the Christmas and New Year rush. I received a call at home from the Factory Manager around 4.30 pm and he spoke in a matter of fact voice, "There is a small fire around the back of despatch". He went on, "despatch staff are aware of it and they have call the Fire Brigade". I made my way into the Bakery expecting to find a few damaged baskets outside and a fair amount of over reaction! As I drove in I telephoned my boss to inform him of the inconvenience, and I would update him further as I got more details. My mood changed as I approached the roundabout at Junction 3 of M54. In the distance in the general direction of Wednesbury some 20 miles away I saw an immense plume of thick black smoke rising vertically into the clear January sky! For a moment I thought someone else must also have a fire but that theirs was much bigger!

As I moved onto the M6 at Junction 10 my head was spinning, the air was thick with acrid black smoke; cars had their headlights on. (I heard much later that for a while Hilton Park Services were closed as a result of the smoke!).

As I drove onto the site all the staff had evacuated to the muster points and the first two fire tenders had arrived. Thankfully no one was injured and all had escaped. I found the Shift Team Manager and got as much information as he knew. Allegedly the first fire crew to arrive were heard to say "No problem - we will have this out in a jiffy!"

As the flames rose above the roofline it quickly became apparent that we had lost our despatch area. The Fire Brigade were working hard to prevent a spread to the rest of the building.

Their problem was water pressure. We have no hydrants on site. There is a hydrant at the factory gate. Unfortunately the pressure at this hydrant was insufficient to deliver enough water to the building approximately 100yds away. As more tenders arrived from everywhere, it seemed, they linked together as a daisy chain to pump water from the nearby canal.

As the fire raged out of control we began to slowly realise that we could lose everything. By 7.00 pm we had to move away off site as the heat from the building 100 yards away was unbearable.

Those employees on shift who could get to their cars drove home; those who couldn't get their cars took lifts from friends or were offered taxis by the Company. As the night shift came on between 6.00 and 7.00 pm we met them at the gate and sent them home. More and more people gathered to watch the spectacle, neighbours, employees and the media.

Once we had decided to send the staff home the next problem to manage was the media. Newspaper journalist and local radio were the first to arrive.

Ladies and Gentlemen, if you have never had to feed the frenzy that is local media chasing a story you are lucky! This was the first challenge, what to say, what not to say. What we didn't say they would make up. Their angle was inevitably the human tragedy. Lost jobs, redundancy, lost incomes, what would we do. All this as the fire still raged and we were yet to learn the full extent of our problem.

A senior team were in place at head office in Bolton. They needed information from those of us on site. The reported information seemed to constantly change, almost imperceptibly changed, "we have a fire", "we have lost the Despatch," "we have probably lost Slicing", "we have definitely lost Slicing", "we might lose Plant 1 Production", we have lost Plant 1 Production" and so on.

We arranged a fax machine at a local hotel and statements for the press were faxed over. The statements said very little and did nothing for the media's insatiable appetite. Eventually we directed the media to our PR Company in London via a telephone number. This was also inadequate and they continued to question anyone who would engage them. Next came the ambulance chasers, insurance agents, loss adjusters, specialists in specialisms no mere mortal has ever heard of.

As the sun rose over the bakery in the early hours of Monday 5th the seriousness of our situation began to dawn. We had lost our Despatch department, all of Slicing and the entire Production facility of Plant 1. Offices and Plant 2 up to the cooler mercifully appeared to be in tact.

By 8.00 am on Monday the Fire Brigade were satisfied that we could enter the building accompanied, to see the devastation. I could not go in at this time, it was too emotional.

As the salesmen arrived for work from 3.00 am onwards we had to pull ourselves together and decide things. People wanted, demanded, to know what to do. They wanted to help. We agreed all the major multiples could be informed of our situation via their various Head Offices. "There would be no Warburtons bread today in the Midlands". What about our other customers? We took what later we realised was an inspired decision to let our salesmen visit all the other customers on their respective routes to tell them of our situation. They used their own vehicles and we reimbursed their fuel. It subsequently transpired to have won us a lot of friends.

As the bakery day shift arrived we told them to go home and they would get paid. They should report each day they were due to work at the factory gates at their normal time. If so, they would continue to be paid and would receive further instructions. This was our second major decision that kept us in control.

By 8.00 am we had set up offices in the local hotel and as the admin staff arrived they were asked to recover any equipment and information they could - safely. No bread deliveries from Wednesbury on Monday 5th January 2004. It seemed surreal. After an entire career spent delivering production and sales, every day, it was an incredibly uncomfortable feeling.

We realised our priority was to get Warburtons bread back into the stores as soon as possible, to fill the gap on the shelf before someone else did! Over the next seven days, this became more than a mission, it was real, it was a mantra. Those routes that could operate from other sites were relocated for Tuesday morning. Cardiff, Eastwood, Stone, Runcorn, Shaw, Bolton, all took what vans they could. Our sales department were given the task on Monday to identify those routes that could sensibly relocate. The salesmen were told to report to new depots for Tuesday deliveries with their vehicles! Some in far-flung places were asked to stay in hotels for at least the first week. Everyone, without exception, carried out our requests without the slightest complaint. This left about 20 routes with no home, they had to be relocated as a priority, but not yet.

As the plan to relocate routes took shape, we realised they would need bread to deliver. Our IT systems would arrange the orders to come into Wednesbury, and the bread for those orders to also come into Wednesbury. We realised our IT systems could not adapt to the new world as quickly as our people had. Another radical decision was made. By 4.00 pm Monday we needed to inform the rest of our business what bread volumes we would need, at the new locations, to satisfy the relocated routes; otherwise the routes would go out on Tuesday empty. Imagine having no information to hand to deliver this deadline.

As Managers we are conditioned to analyse data and gather information, the more information we can gather the more informed is our decision making - so we think. Imagine no data! What did we do in the absence of information; make some up! we guessed. The instruction was issued, by 4.00 pm the routes must have an order in the system, complete with a new location to operate from. Whatever happens provide the information, even if it's wrong, in fact it will be wrong, but do it anyway!

The effect on the business was chaotic. Our Head Office staff and systems converted our "orders" into production at sites and the producing bakeries took up trucking additional volume to sites.

You know, on Tuesday 6th, 36 hours after the fire, 25 of Wednesbury's 45 routes delivered bread to their customers.

By the end of that week the remaining 20 routes were operating from a temporary depot two miles from Wednesbury Bakery.

The next problem was to try and meet the lost production. Within twelve hours all the Warburtons producing sites had stepped up to 24/7 production, but we were still huge numbers short. Lines had been hastily delisted to meet capacity and they needed to be reinstated.

The response from the industry was amazing. Our Senior Managers and Directors were able to talk to other, non-Warburtons bakeries to explore third party manufacture. This would not only help provide much needed volume but would find work for our production staff who were still turning up at the gate and being given a variety of imaginative but non-productive tasks to do. Here was another of our key decisions. Since we anticipated rebuilding the site we decided to keep hold of the staff.

Skills had been acquired which should not be hastily abandoned and loyalty on both sides was important now. In the end out of more than 400 employees we "let go" 28. Made up of hygiene, school visitors, site tour guides and two handymen. Interestingly, most of these individuals are now back on our books!

How many other industries would respond to such a plight as ours did? - Not many. I am proud to be a part of it.

I could go on all afternoon, but don't worry I won't! What have we taken from our experiences? Leadership is not about systems, information and procedures, it is about inspiration. Crises of this magnitude bring to light the most unexpected people as leaders. Expect different leaders for different circumstances. Not everyone can be leaders, nor do we want them to be, and we do want followers. Followership is a skill, the need to carry out instructions, apply initiative, but to mostly trust the leaders and be prepared to be surprised.

People demand clear instruction. In unique and unusual situations it is obvious that to get people to do things we want we have to tell them what we want- communicate. Why are we so bad at this when we think things are `normal'? We all still need that clear information even in familiar situations. After all no situation in our industry can be called normal.

Review information systems. If it's IT how flexible is it? Where is the information stored? is it retrievable? How up to date is it? When disaster strikes, be prepared to work blind.

Make decisions, don't procrastinate, keep the momentum going by moving forward, don't stop to consider too much. The decision itself is what's important, not whether it's right or wrong. Spending too long making the right choice will inevitably lead to chaos. In a crisis is any decision wrong? Decide - deal with the consequences - move on to the next decision, above all keep going.

This brings me to Contingency Planning and Disaster Recovery Planning. Ironically at the time of the fire a small group of various disciplines had been meeting for almost 12 months to discuss Disaster Recovery and Contingency Plans. Eastwood was being used as a guinea pig. Needless to say when disaster actually struck we didn't use their plans.

Disaster recovery planning is useful, when in context. It is impossible to plan for a disaster, everyone will be unique. Instead think about overriding principles. Principles that can guide your leaders and decision makers rather than constrain them. What does your Company stand for, what are your ethics? What matters to you? Keep the bigger picture in view. It is essential, however, that in your Disaster Recovery box you do have a clear communications plan. How can people be contacted? How can information be passed around, Who at the top needs to know and what do they need to know?

Where are we now?

Back in full production with a better facility than before. All our staff are back on site and we have grown to 62 routes. Incredibly throughout 2004 Wednesbury sales including Stone and Cardiff Depots have grown by 10%.

Our staff are still with us, turnover has been minimal, but ironically many still say they were happier in the chaotic days of early 2004. This, we believe, is due to the management style we adopted that I've already touched on. There are lessons here, which we intend to explore during 2005.

A summary of our rebuild gives some flavour of the relentless nature of the task, now almost at an end. Thank you for giving me this opportunity to address you today, it has been a pleasure.

The Chairman

Ladies and Gentlemen, could I please remind you to ensure that your evaluation forms have been completed - your remarks are very important, and helpful to the Executive in reviewing this Conference, and in planning future Conferences.

Before formally closing the Conference, I would like to thank Ian Melling - a Past Chairman of the BSB - for arranging the return of the original BSB Creed Plaque which is on display here today. It is a magnificent piece of craftsmanship, and most appropriate to see it again, as we approach our Golden Jubilee year of celebration.

In closing this Spring Conference, may I, on behalf of the Society, first of all thank all the speakers for the excellent content of their papers. To Paul Hollywood, many thanks for a superb practical demonstration of "Back to Basics". To our two Sessional Chairmen, Andrew Pollard and Jim Bosley, many thanks for your excellent Chairmanship of the questions and answers. Thanks also to the other members of the Executive in helping with the staging of today's Conference. To Jean Grieves - the Conference Chairman - although unable to be with us through illness, a big vote of thanks for yet another successful Conference.

Finally, to Professor Colin Dennis, and all the staff here at CCFRA, our grateful thanks to you all. The facilities and hospitality have been outstanding, and very much appreciated.

Could I just remind you of the Golf Day on Wednesday 18 May, and secondly the Autumn Conference on the 10 and 11 October at Coombe Abbey, which will mark the commencement of the Society's Golden Jubilee year. On behalf of the Committee, I thank you all for attending - I hope you feel that during last night, and throughout today, the Society's ideals of fellowship, enlightenment and inspiration have again been accomplished - and I wish you a safe journey home.