Knowledge Transfer Partnerships

Key Benefits

- Knowledge Transfer Partnerships are designed to benefit everyone involved
- Firms are solving strategic challenges and long-term problems by drawing on the expertise of the knowledge base
- KTP Associates will gain business-based experience and personal and professional development opportunities
- Universities, colleges or research organisations will bring their experience to enhance the business relevance of their research and teaching

Knowledge Transfer Partnerships

Accelerating business innovation: an Innovate UK programme

http://ktp.innovateuk.org/

Benfield Motor Group

Embedding lean practices

About this Case Study

Benfield Motor Group was founded by the Squires family in Newcastle upon Tyne in 1957. Benfield worked with the Newcastle University Business School on this Knowledge Transfer Partnership (KTP). The aim of the KTP was to improve competitiveness, quality and efficiency of service, repairs and back-office functions throughout the business via an innovative transformational change programme.

About the Sponsor

KTP is primarily funded and managed by Innovate UK. It supports UK businesses wanting to improve their competitiveness, productivity and performance by accessing the knowledge and expertise available within UK Universities and Colleges. Its mission is to accelerate research into, and development and exploitation of, technology and innovation for the benefit of UK business - building economic growth and quality of life.

Fast Facts

- New Work Smart programme developed and piloted
- Substantial efficiency gains resulting in improved customer proposition
- Estimated profits of £450k as a result of the KTP after year three
- Academic publications at international conferences
- Associate secured continuing employment

The Company

“The KTP provided a fantastic opportunity to draw from the research and expertise of Newcastle University Business School. Like many other business sectors, the automotive aftersales market is experiencing rapid change. Insight from the KTP will enable us to keep pace with that change.”

Gavin Ruddick, Aftersales Director, Lookers plc

About the project

Prior to acquisition by Lookers plc in 2015, Benfield grew to be one of the largest and well-known private companies in the motor retailing market with a chain of 34 franchised dealerships.

Motor retailing is evolving as buying habits change. Strong aftersales performance is key to a successful business model, as it provides a stable source of profit and insulates against fluctuations in the market.

A programme of transformational change was needed to increase productivity and improve customer service.

Newcastle University were able to offer Benfield the skills and expertise to support the development and implementation of the change programme in the following areas:

- Development of lean tools and techniques in a service sector context
- Implementation of lean tools and techniques
- Change management
- Organisational development

The project involved applying lean principles used in the Japanese car manufacturing industry to the car dealership setting. Even the slightest change in working practices, such as placing the most commonly used tools closer to hand for the technicians, can lead to big time savings and ultimately a benefit to the company's bottom line.
The Company

Benefits
The project aimed to transform a commoditised experience of purchasing and maintaining motor vehicles based on price, to a customised experience based on relationship.
The biggest challenge was employee engagement and understanding. Staff understanding of the project was fundamental to its success, so everyone in the value stream was trained from managers to valeters.
Dramatic efficiency gains have already been observed, which results in savings in labour time. This, in turn, allows significant improvement of the customer proposition as well as customer retention creating additional profit.
The academic team was able to provide guidance to the project owing to their prior experience of, and engagement with, this type of change initiative.

Results
• Expected £450k increase in profit as a result of the KTP after year three
• New Work Smart approach developed
• Improved efficiencies
• Skills, knowledge and motivation required to make improvements to meet future market opportunities
• Staff development and training
• Cemented links with Newcastle University partners

The Associate

“Melissa has taken ideas such as the rapid servicing concept forward, taking a very high level company brief and through research, development and iteration, delivered commercial reality that will deliver significant competitive advantage.”
Jon Dean, KTP Advisor, Innovate UK

Benefits
The Associate, Melissa, completed training in a number of areas, including Lean, Project Management and Operations Management. Melissa then applied these complex management theories to achieve complete control of a strategically important project. Melissa also gained experience of designing, developing and delivering training to staff groups from 1 to 20 people.

Results
• Achievement of CIPD Leadership and Coaching Diploma
• Achievement of MBA Operations Management module at NUBS
• Attendance at Lean Conferences
• Best Practice Visit to car dealership in South Africa
• Nominated for prestigious KTP Business Leader of the Future Award 2015
• Associate accepted continued employment

The Academic Partner

“KTPs provide an excellent way of combining theory and practice that lead to academic and external impact. It stimulated interdisciplinary collaboration between colleagues and practitioners.”
Professor Christian Hicks, Business School, Newcastle University

Benefits
The KTP enabled the academic team to develop new insights into the transfer of business improvement practices in a service environment, further developing understanding of achieving sustained transformational change.
The academic team have real-world examples to enhance teaching, leading to improved student satisfaction.
As the KTP touched on all key areas of the academic specialisms, there is a rich portfolio of materials that will enhance teaching.

Results
• Presentations accepted for international conferences
• Two academic papers published
• Contribution to MBA student projects
• Contribution to syllabus of new Supply Change Management MSc module
• Potential for impact case study
• ESRC application in progress to build upon project
• Continued relationship with Lookers

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