

DB&A Report

Hatfield Quality Meats Case Study

Hatfield Quality Meats was experiencing some of the best years in the company's history, but it wasn't willing to take growth for granted. In a highly competitive industry dominated by large conglomerates, Hatfield was looking to stand its ground and make whatever changes were necessary to remain a successful family-owned business. This meant inspiring its managers to play an integral part in the company's future and turning to DeWolff, Boberg & Associates as a partner to build a solid base of professional skills and techniques.



Hatfield Quality Meats is a 110-year-old family-owned business that produces more than 1,200 fresh and manufactured pork products distributed throughout the Northeast. It also holds the distinction of being the maker of the official hot dog of the Philadelphia Phillies.

While Hatfield was experiencing success and doing well, it wanted to make improvements that would help the company "sharpen its edge" and remain competitive. In summarizing his mission for initiating change, Hatfield Quality Meats President Doug Clemens stated, "As one of the few midsize family-owned companies left

in an industry that's becoming increasingly consolidated, we're the last of the Mohicans, so to speak.

DeWolff, Boberg & Associates is a management consulting firm specializing in helping companies of every description achieve their objectives through improved performance or resource utilization.



We need to do more than just be good—we need to move to the point of being great.”

Changing Behaviors for a Brighter Future

Hatfield’s quest to change the culture of the company and strengthen its overall performance began with the launch of an internal Maximizing Performance initiative. As an integral part of this campaign, the company tasked itself with encouraging its management to take greater ownership of each department by developing a deeper understanding of the business.

Stressing that these behavioral changes had to be long-term, Hatfield Executive Vice President Craig Edsill said, “We have a culture and founda-

tion of doing business right, and we definitely weren’t into any short-term fixes. In our business we constantly have to look for ways to improve, whether it’s in quality, service, efficiencies, accident prevention, or food safety. It’s the only way to ensure success today and in the future.”

The Right People at the Right Time

Just as Hatfield began laying the groundwork for its Maximizing Performance initiative, the company received a call from DeWolff, Boberg & Associates. What ultimately intrigued Hatfield and set DeWolff, Boberg & Associates apart was that it made no claims about being meat experts—it positioned its consultants solely as management experts.

“I get calls all the time from consulting firms, and a lot of them sell themselves as industry experts. That was always kind of a turnoff for me because we know our business better than anyone else does,” commented Edsill. “We weren’t looking for someone to tell us what we already knew—we were interested in a partner that could help us drive responsibility and accountability by developing a strong business management mentality across all areas of the organization.”

Uncovering Hidden Potential

DeWolff, Boberg & Associates used the initial two-week analysis period to conduct a comprehensive investigation of Hatfield’s entire operation by employing insightful tools such as resource utilization studies and frontline supervisory observations. Through this information, DeWolff, Boberg &

Associates identified approximately \$10 million in opportunities—guaranteeing \$6 million based on potential yield and productivity increases.

Hatfield was aware that these areas needed to be targeted as stepping-stones to success, but up until this point, the company had never assigned dollar figures to these goals. “The amount of financial opportunity surprised us,” said Edsill.

Two Departments, Too Little Communication

DeWolff, Boberg & Associates’ 28-week engagement focused on two main business units within the Hatfield organization—Fresh Pork and Processed Meats. Fresh Pork production generates cuts such as pork chops and tenderloins that are sent directly to retailers, or forwarded to the processed-meat production area where they are made into products like ham and bacon.

With workloads in the two units so closely linked, common communication and educational shortcomings were directly impacting profitability across all lines of production. For instance, the significance of maximizing the value of every product was not being clearly communicated from top to bottom, leading to over-trimming and over-grading. This meant products were either trimmed too much, ulti-

The DeWolff, Boberg & Associates Guarantee is more than a financial promise—it is a mutual commitment to work toward a predetermined set of goals with a pledge of specific improvements ranging from 20 to 30 percent. If we don’t meet our goals by the end of our set timeline, we will either keep working until we do or refund fees based on the proposed return on investment.





mately downgrading the quality of the meat, or graded so strictly that they were being discarded, rather than sold at a lower grade.

Working to identify the underlying factors influencing these practices, DeWolff, Boberg & Associates partnered with Hatfield's managers and employees to conduct systematic root-cause analyses. In the case of over-trimming, the studies found that people measuring the cuts were not the same people doing the trimming—and both groups' expectations were completely different. The studies also revealed similar circumstances were influencing the practice of over-grading. The production and sales teams each had its own standards for grading, and there was no clear consensus.

"It was simply a case of knowledge being there, but not being shared," said Jerry Tice, DeWolff, Boberg & Associates' Project Manager. In response, DeWolff, Boberg & Associates implemented communication tools that drew upon the managers' existing knowledge, encouraging these supervisors to share information and create effective solutions. Teams participated in open meetings and workshops to exchange ideas, develop uniform guidelines, and learn standards. Through these straightforward practices, Hatfield conquered barriers to production and realized substantial savings and yield increases.

Communicating all the Way Down the Line

In addition to tools that could be used for periodic problem-solving, Hatfield's managers also needed ways to interact with their teams on a daily basis to ensure information was consistently conveyed from top to bottom throughout the company.

To enable this process, DeWolff, Boberg & Associates initiated huddle meetings at the start of each shift, creating a specific time and place for teams to discuss goals and objectives on a regular basis. As a complement to the huddle meetings, visual communication boards in prominent areas provided a common reference for tracking production statistics during each shift.

DeWolff, Boberg & Associates tackled the difficult challenges of one-on-one communication by working individually with managers, demonstrating that these exchanges were often as simple as making sure employees were aware of expectations. As a result, managers began to feel more at ease and no longer avoided these types of interactions.



Integrating these behaviors into the workday allowed managers and employees to be on the same page, working together to achieve common goals. Reflecting upon these positive changes, Edsill said, "It's easy to take for granted that the goals and objectives you set are automatically disseminated from top to bottom—which was, unfortunately, not how we were operating. Now, as a company, we have 1,700 employees pulling in the same direction, rather than 10 executives assuming the message has been consistently delivered."

Making Measurement a Number One Priority

Another key aspect of Hatfield's Maximizing Performance initiative was holding managers accountable for overseeing daily production statistics on a proactive and timely basis; however, many managers lacked the basic techniques for analyzing these metrics.

DeWolff, Boberg & Associates taught these managers how to compile and use daily schedule controls, empowering them with the hands-on ability to monitor yields, track productivity, and identify any potential concerns throughout the workday.

Attitudes and expectations changed so dramatically that managers began to ask for and anticipate production numbers and information. "We took a group of people accustomed to managing numbers on a weekly and monthly basis to a mind-set of managing them on a daily and hourly



basis. We've come a long way," said Wayne Marchant, Hatfield Senior Vice President of Processed Meats.

When it came to evaluating labor needs, DeWolff, Boberg & Associates showed managers how to utilize daily work schedules to be certain that lines were adequately staffed to meet the workload. Additionally, shifts in both the fresh and processed meat areas were aligned to match the production flow. Actions such as moving fresh sausage production from a day shift to an evening shift helped reduce the number of missed or delayed shipments.

"Learning to balance labor was a big change for us. Basically, we had just gotten used to doing things like they had always been done," said John Reininger, Hatfield Senior Vice President of Fresh Meats. "Ideas like

sending people home if they weren't busy or moving them to different shifts—these concepts were foreign to us."

Building Success Today and In the Future

Right from the start, Hatfield had a strong commitment to changing behaviors in order to drive success today and in the future. "We took the time to make sure everyone understood that Maximizing Performance was our initiative and DeWolff, Boberg & Associates was acting as our partner to assist us with achieving our goals," said Clemens. "I really wanted my people to embrace change from the get-go. And by bringing in an outside perspective, I knew we'd get off to a flying start."

DeWolff, Boberg & Associates' expertise in changing behaviors inspired Hatfield's managers to take charge of their positions by setting expectations, fostering accountability, and working to drive performance. And according to Clemens, the changes have only just begun.

"DeWolff, Boberg & Associates served as a catalyst—energizing and exciting our managers. We've uncovered a lot of valuable opportunities, and now our managers are stepping forward with more new ideas. We're dedicated to sustaining this momentum and incorporating it as a permanent part of our company's culture."

Well on its way to accomplishing its objectives at the time of this writing, Hatfield has realized a total savings that significantly surpasses the original goal and amount promised in the DeWolff, Boberg & Associates guarantee. Armed with powerful new tools and a dedication to implementing change, Hatfield can look forward to successfully defending its position as a midsize family-owned company in an industry filled with giants.



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—Doug Clemens, President**



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