

Homebase puts its policies under the microscope

Homebase, the well known national DIY retailer with 280 outlets around the UK, has been through a number of major internal changes since the majority of its shares were sold by Sainsbury in 2001.

Now part of the GUS empire, Homebase is flourishing and reporting strong growth in all areas.

Under the previous control of Permira, the venture capital company, one of the main missions for management had been to create efficiencies and reduce overheads.

An area of the business that came under the cost and efficiency microscope just over a year ago was the company's policy for training fork lift truck operators.

Previously drivers had been employed and trained by in-house instructors. These instructors were based at one store but were responsible for training all new operators and carrying out refresher training every five years within their region.

The main problems Homebase were finding with this approach were:

- **UNAVAILABILITY OF INSTRUCTORS**

Because they were employed at one store, the store manager at this store was reluctant to release them from other duties to go and train drivers at other stores, even though they could "cross charge". This led to long delays in obtaining trained operatives, a reduction in efficiency and increasing costs.

- **NUMBER OF INSTRUCTORS** AS with all organisations and particularly retailers, staff turnover was not constant during the year but peaked and troughed. This meant that in order to meet demand there was often either too few instructors -thus resulting in delays, lack of efficiency, higher costs and management frustration - or too many instructors leading to inefficient use of labour, higher costs and wasted resources.

- **ADMINISTRATION**

Central and regional control of budgets and, more importantly, the training records for all FIT operators was becoming more and more of a burden with the risk of people "slipping through the net" and creating the potential of a multitude of risk problems.

- **COST**

On the surface in-house training appeared to be the lowest cost option for Homebase but many of the internal costs were not being quantified and included in cost calculations. As a result, the company became increasingly aware that their in-house training strategy was probably not commercially viable.



Mentor, who were already providing Homebase with instructor training courses, suggested that a Mentor Audit could provide the facts and thus the answers management were looking for.

The Mentor Audit collects and analyses all the tangible costs of operator training as well as intangible costs and benefits.

In Homebase's case it concluded that the financial cost of contracting out training was no greater than performing the same function in-house - and the intangible benefits would provide the store group with major benefits.

After competitive tendering and presentations to the Homebase management team, Mentor were selected to provide all of the company's in-store fork lift truck training.

The main benefits that Homebase have found through the change of policy are:

- **Ready Availability of Instructors:** with over 100 instructors nationwide, Mentor have been able to provide training within seven to ten days following receipt of a request
- **Better Budget Control:** with a fixed daily rate with no extras, Homebase have found that budgeting and costs are easier to control
- **Health & Safety Compliance:** as well consistent quality training and the maintenance of accurate training records, the policy of carrying out risk

assessments before each training session has heightened the awareness of Homebase staff to how quality training can help deliver sound health and safety practises **Better Reporting:** Mentor provide monthly reports by region. This gives Homebase management a regular and accurate picture that covers all of its business locations **Database Management:** Mentor developed and now maintain a full database of all Homebase operators. This ensures timely refresher training and provides an accurate and up to date skills profile by region and store **Consistency:** Homebase know that the training their operators are receiving is to the same high standard throughout the country - and this means peace of mind for managers **Costs:** these are now well within budget

David Clauson, Head of Operational Improvement for Homebase says "Mentor provides a quality service backed up by a national training database. This has allowed our retail management to spend less time on administration and more on customer service."