

The Profit Improvement Process



THE MANOR CONSULTING GROUP
Business & Marketing Consultants - Training Specialists

37 London Road, Newbury, Berkshire RG14 1JL
Tel/Fax: 01935 881398 . Email: enquiries@manorconsulting.co.uk

What Is The Profit Improvement Process (PiP)?

- PiP challenges existing business practices and the rationale for utilising resources in particular and the different ways to achieve future profit objectives
- PiP helps to determine strategies in relation to 5 key methods of improving profit and 6 business resources
- PiP will produce a profit improvement plan

The 5 Methods

- Reduce costs
- Reduce capital employed
- Improve gross margin
- Improve product mix
- Increase turnover



The 6 Resources

- People
- Money
- Materials
- Machinery
- Time
- The market

What Is The Process?

There are three phases:

Phase 1

- Completion of a questionnaire by MD/CEO with an MCG consultant
- Completion of a questionnaire by the senior management team/board of directors with an MCG consultant
- Answers fed into the computer

A matrix, based on the 5 methods and the 6 resources, will highlight strengths and weaknesses and also the different perceptions of senior managers.

The PiP Matrix (example only)

Methods Resources	Reduce Costs	Reduce Capital Employed	Improve Margin	Improve Product Mix	Increase Turnover	Totals
People	4.31	2.54	2.63	3.78	4.44	17.68
Money	2.79	10.19	1.84	1.57	3.9	20.29
Materials	8.88	3.23	5.07	1.44	2.44	21.06
Machinery	4.43	1.2	2.36	0.58	0.97	9.55
Time	3.91	0.12	0.75	1.63	3.47	9.88
The Market	3.74	1.13	5.44	4.25	6.99	21.54
Totals	28.06	18.41	18.09	13.23	22.21	100.00

High scores: strengths
Low scores: weaknesses

The Profit Improvement Process

- Analysis of the matrix by an MCG consultant
- Five highest and three lowest scores identified: i.e. strengths and weaknesses
- Production and presentation of interim report which includes:



- strengths
- weaknesses
- conformity/disparity of view between MD/CEO and individual SMT/board members
- interim conclusions but no recommendations

Phase 2

- Phase 1 based on perceptions
- Phase 2 consists of factual data gathering and analysis about perceived strengths and weaknesses
- Comparison of perceptions with the actual situation
- Production and presentation of final report which includes:



- findings
- conclusions
- recommendations about possible strategies to increase profit

Phase 3

- Hands-on assistance to help you to develop strategies to increase profit
- Development of profit improvement plan

The Benefits of PiP



- The objective identification of problem areas/challenges
- A rationalisation and better use of resources
- The identification of different perceptions amongst senior managers
- An improvement in internal communication
- The identification of cost-effective strategies - solutions
- The ownership and effective implementation of strategies
- An improvement in profit

What Do Our Clients Say?

- "The Manor Consulting Group has a real understanding of our culture"
- "Objectives very competently achieved and on time"
- "Generally of the high standard now expected of The Manor Consulting Group"
- "We found the conclusions and recommendations of the report to be of tremendous value"

We have helped clients in a number of sectors. They include:

Abercrombie & Kent	London Borough of Sutton
Anglian Water	Manx Electricity Authority
Antec International	Marine Harvest
Bath City Council	Merial Animal Health
Bayer UK	Mid Kent Water
BNFL	Milk Marque
Booker Agribusiness	Molnlycke Health Care Products
Booker Cash and Carry	Molnlycke Tissue
Boots The Chemists	Mouchel & Partners
Bournemouth and West Hampshire Water	National Veterinary Supplies
British Film Institute	North Somerset Council
British Arab Commercial Bank	Norwood
Bristol Water	Pedigree Masterfoods
Cargill	Petsafe
Carless Refining and Marketing	Rank Organisation
Central Midlands Co-operative Association	Rhone Merieux
CITB	Rhone Poulenc
Clarke Willmott & Clarke	Rohm & Hass
Countryside Agency	RNID
CWS	Royal Agricultural College Business School
Designers Guild	Schering Plough
Du Pont	Somerset County Council
Eastern Electricity	South Somerset District Council
Gehe Pharmaceuticals	South West Water
Gloucester County Council	Span Training & Development
Groundwork UK	SWEB
Hammersmith and West London College	The Chartered Institute of Marketing
Hampshire County Council	The Chartered Management Institute
Health Development Agency	The Prince's Trust
Hubbard ISA	Tilhill Forestry
Hughes Allen Chartered Accountants	Tom Barron
Hyder	Trouw UK
Hyder Water	UCAS
Isle of Man Government	Virbac
Isle of Man Post Office	Watts & Partners
Legal and General	Wealden District Council
Lincolnshire County Council	Wessex Water
Lloyds Bank	West Wiltshire District Council
London Borough of Hillingdon	

Why Use The Manor Consulting Group?

There are 6 reasons:

- **Objectivity**
We are totally objective as we have experience of many different types of industry and organisation.
- **Personal Approach**
The consultant who handles your initial enquiry will manage the assignment to its completion. This ensures that their accumulated knowledge of your organisation facilitates a cost-effective approach to achieving your objectives.
- **Practical Solutions**
We provide practical solutions which are easy for you to implement.
- **On-going Development**
We are committed to providing support and counselling in order to help you implement our recommendations.
- **Quality Control**
We operate a quality control system which helps to ensure that you secure a return on your investment in our professional services.
- **Ownership**
We encourage your full involvement and commitment, which ensures that you retain ownership of the assignment, by augmenting and not duplicating your own resources.

The Manor Consulting Group is a registered practice of the Institute of Management Consultancy.

It is also retained by the Chartered Management Institute and The Chartered Institute of Marketing to present a number of development programmes.

It is also accredited as an ILM Centre and can offer academically recognised management qualifications at a number of levels.

Your Next Step

When you wish to discuss your current challenges and opportunities, please contact one of our partners. He will arrange a confidential meeting with you without commitment.

Partners' Biographies:



John Bailey BSc (Hons) MIMC MCIM MCFI

John Bailey gained his business experience at senior level in both the manufacturing and distribution sectors. He has considerable expertise in helping organisations to add value to their products and services. He specialises in management development. He holds an Honours Degree and is a Member of the Institute of Management Consultancy, of The Chartered Institute of Marketing and of The Chartered Management Institute.



John Pritchard DipM FIMC MCFI

John Pritchard's career has embraced business development, marketing management, general management and consultancy. He has a wide experience of presenting management and other development programmes and of helping organisations to achieve their objectives. His experience has been gained in the UK, Africa, West Germany and other parts of Europe. He holds The Diploma in Marketing, is a Fellow of The Institute of Management Consultancy and is a Member of The Chartered Management Institute.

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