

## 2003 Showcase in Excellence Awards Recipient

### Holsum Bakery, Inc.



#### Testimonial of Value of Arizona State Quality Awards Program

“I believe the AQA Awards Program has great value, in the sense that it provides a "roadmap" for any organization to follow, that--when followed--leads to excellence across the entire organization.” Ed Eisele President

Participating in the Awards program provides an opportunity for organizational reflection, learning, and growth, coupled with the unique opportunity to see your business processes through the knowledgeable eyes of outside examiners.

#### Company Information:

*Highest Ranking Official:*  
Ed Eisele - President

*Contact Person:*  
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*Type of work:* Holsum Bakery is the market-share leader in Arizona for commercial baked bread and bun products. Fresh Holsum Bakery products are delivered daily by over 200 independent distributors.

*Workforce:* 520 employees

#### Highlights of Organizational Process:

- Two years ago the Holsum Bakery Distribution Center's work training was done based on “hand me down” On the Job Training, jobs were poorly defined, and people tended to be specialists in their individual pieces of the work. This resulted in variation in how the work was done, errors, and the resulting rework. The Distribution Center was a known constraint in the overall process, responding poorly to work load spikes and absences, and suffering a high turnover rate.
- Today, as fresh bakery products, breads and buns, flow off the conveyor lines continuously throughout the baking shifts, more than 400,000 units per day, the Distribution employees move the product from the final operation, wrapping and stacking into trays, to a staging area. From this staging area the Distribution department correctly aggregates the product to the various routes, stages it for loading, and insures the delivery trucks leave on time to insure timely delivery. As the customer’s geographic base expands, it becomes increasingly critical to have the right trucks loaded, with the right product mix on time. The

dependability, accuracy, and agility of the Distribution Center has significantly improved, and the turnover rate has been reduced by a factor of 6. As new customers, with different requirements, are added to the business, the Distribution Center now quickly adapts to their needs and schedules, documents the new customer specific processes, and quickly insures all the necessary associates are trained to meet the requirements.

This transformation was achieved through the implementation of The Job Training Identification Process. This process insures Holsum Distribution employees are consistently working in optimized processes, are properly trained in the processes, and provides a structured methodology for bringing new employees into the operation.

It also creates and reinforces an environment of personal learning and growth. As Associates progress through the job matrix, learning new positions and jobs, they become more valuable to Holsum, more confident in their work abilities, and begin looking to grow at Holsum. As the dramatic decrease in turnover rate has demonstrated, the question has changed from “how do I get out?” to “how do I grow?”

Step One of the Job Training Identification Process is the analysis stage, defining and documenting every job in the area of interest. Once the current state is understood and documented, a cross-functional Improvement Team is formed to analyze the flow charts and design an optimized process. Next, the redesigned process is validated, and any required changes are incorporated

When the design and validation steps are completed, the training and conversion to the new workflow is initiated. Starting with the associates currently in the job, everyone in the department is trained and tested in the new process. The training is typically a combination of classroom and structured on-the-job training. The trainer reviews the job's work flow chart, discussing important customer satisfaction drivers, asking questions and encouraging discussion to insure the sequence and concepts of the job are understood. After covering this “theory” section of the training, the associates go directly from the classroom environment to the job location and proceed to do the work, with appropriate coaching.

Group size is kept to only 2 or 3 associates at a time, insuring they all have the opportunity to physically perform the work, and receive coaching. For new Associates, this small grouping helps them to become familiar with their peers and the trainer in a positive reinforcing environment. Typically the trainer is one of the Lead Associates. This training responsibility helps the leads learn to train in a coaching/demonstrating method, helping them to build a relationship with each new associate, and to further develop their own interpersonal skills. To help the Associates “keep current” they are periodically tested on the workflows, and provided with refresher training as needed.

Since initiating this process, a key distribution performance metric "Shorts on Load" has been improved by over 50%, while total volume has dramatically increased

The Distribution Job Training Identification Process has given Holsum a tool for improving the Distribution processes and Associate skills, and also a model for implementing, improving, and institutionalizing process change.