



Case Study

Whole of business approach to
improvement with ASEA underpins
success at Backwell IXL



Backwell IXL, one of Australia's oldest businesses, is focused on an equally successful future

- *Local and global business benchmarking*
- *Whole of company approach to improvement*
- *Significant increase in operational efficiency*

AutoCRC's Business Excellence Division ASEA has been assisting the company - a diversified manufacturer with a focus on the automotive industry - in its constant pursuit of excellence.

Established in 1858, Backwell is one of the oldest privately owned companies in Australia.

Representatives of the fifth generation of the founding Backwell family are board members today.

The business has 100 employees and three manufacturing divisions producing a range of products. These include: automotive pressed panels, some with additional value-added processes; household electronic and gas ventilation and heating units; metal castings for the aluminium smelter, mining and pump industries.

Despite its origins in the middle of the 19th century, Backwell is very much focused on the future.

General Manager David Sykes explains. "We don't rely on our past successes; rather we have a definitive plan for the future.

"We look to the next five or ten years and the success in that time frame is more important than the past."

With that ever present forward thinking in mind, the company has benefitted greatly from its association with AutoCRC.

"Our working with AutoCRC's ASEA division has been an outstanding success," David Sykes says.

"We have worked very closely with them, and we 'opted in' very quickly to their business advisory program, to maximize the benefits for our group.

"Basically the work we've done with AutoCRC has underpinned the success of our business by facilitating us becoming more productive and focused.

"Our involvement with programs delivered by ASEA has helped us to develop all our other business units, in addition to automotive.

"We've been able to migrate all the skills we've learnt from our involvement in ASEA projects to our foundry operations, as well as our appliance factory.

"So the skills that we've learned have really underpinned the whole organisation.

"The overall impact on our business has been quite remarkable."

Ross McDonald, Business and Engineering Manager, says, "We were keen to put our hand up to do the ASEA pilot program. Previously our business planning wasn't really up to scratch. It was more like a financial plan.

"So by embracing the ASEA pilot program, we were able to develop the business plan into a better structure.

"The initial pilot program gave us much better direction for the year, and this then allowed us to plan out four or five years.

"Once we got that framework set, and we learnt how to do the process of business planning, we now use that structure each year, modifying and adjusting up, as we move forward.

“With the business plan mapped out, we could see where we wanted to go; the areas within the business that we had to strengthen and further augment.

“The other important area of great benefit to us has been in benchmarking,” Ross McDonald says.

“ASEA has given us really accurate benchmarking, as to how we compared with both Australian and overseas companies. This process identified a number of things for us to do on the operational efficiency front.

“It became a case of prioritizing which tasks, identified by the benchmarking, we did first.

“This benchmarking has been instrumental in improving the business,” he says.

David Sykes echoes these views. “The benchmarking has been invaluable. We’ve been able to learn so much by networking with people both within the auto industry and in the foundry business, and we cross-pollinate the ideas.

“So we apply automotive process and skills to other areas of our business, and that’s been one of the successes,” he says.

“We’re just getting involved in one of the new programs. This is a new AutoCRC program focusing on the pressed metal and plastics supplies.

“This is with a group of automotive suppliers where we can network for mutual consultation and benefit.

“We’ve done our first session. We’ve brainstormed what we regard as areas that we need to improve in. So it’s very early stages, but very positive for us.

“This allows us to identify any potential difficulties or issues on the horizon.

“As regards the totality of what AutoCRC has achieved for us, it’s been a whole of business approach,” David Sykes says.

“This encompasses our business planning, through HR, operational aspects, lean and continuous improvement processes. We’ve incorporated the same practices throughout our whole businesses.

“So it’s not just benefited our automotive businesses, but our foundry operations and appliances business.

“The ‘learnings’ we’ve applied across all our divisions has really underpinned our success.

“Looking at it from a contrary viewpoint, if we hadn’t have been involved with ASEA, the business would have been in a far worse operational position.

“All customers – and it’s not just automotive – have an ever increasing expectation on your efficiencies, on your deliveries and your services. And this is forever escalating.

“If you can actually stay slightly ahead of that and grow, then you are ahead of the pack. You sustain and enhance the business in a very worthwhile way,” he says.

“Many businesses have disappeared out of our industry. There is probably a direct relationship between involvement and participation in continuous development programs, such as those provided by AutoCRC, and ensuring an organisation’s ongoing success.

“There is clearly a direct relationship between the work ASEA does and helping businesses thrive and prosper.

“We’ve always had the view that implementing these ASEA improvements is rigorous work, but we must embrace these as they provide substantial benefits.”

As regards the company’s remarkable history over 150 years, David Sykes says, “We have a book written on our 150 year history. But it’s the next ten years that’s important”.

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