

Structuring an efficient team

Frank Wainwright visited SIG's HQ in Ettlingen for FM

Service innovation group (SIG) has turned few heads since taking over Ellert Field Marketing a year or two ago. The quiet has been quite intentional whilst SIG has been integrating the UK team into a team that fits with its European determination. SIG is a European company, providing outsourced sales and marketing to major brands across Europe and turning over €124 million (Euros). The group employs 350 management staff. Its profitability model for success is driven by its German HQ - a base in Ettlingen near to Karlsruhe and the Black Forest.

I went to visit SIG's strangely quiet and tidy HQ where I met CEO (and currently also the UK MD, Jurgen Muller. Strangely quiet? In the personnel dept for this European enterprise - which has thousands of employees in the field at any one time - the phone barely rings. This pleases Muller. It means that the computers and systems for online payroll are working and HQ staff are not dealing with angry reps with long conversations about individuals being paid the wrong amounts. Muller is rare amongst FM agency heads, in that he accepts the commoditisation of staff - at least in general process terms. "We have the same reps as

our competitors," he says, "I would never argue that we have better people, but that he way we work is better."

SIG's advantage is IT-led. Majority shareholder, Daniel Hopp, is the multi-millionaire whose main business is the computing firm SAP. SIG has been able to shave precious minutes off standard operations, in the HQ and in stores to drive better returns from the same client fee. A bit of time saved per small task can make a major difference when multiplied across the economies of scale of the full enterprise. The good news for staff is that the same efficiency standards also effect payroll, contracts and recognition. The system standardises employment contracts leaving the employees clear on their rights and the employer efficient to the point of being virtually paperless. Certainly SIG is as close to the paperless office ideal that I have witnessed in my many hundreds of business visits. This is the more remarkable for being a people business. Says Muller "Standardisation of employment contracts and payments delivers high satisfaction and loyalty of personnel combined with lowest costs per payslip. Errors in the payment process are minimised. Employees - especially those with variable performance-

based payment teams (e.g. in projects selling direct to the consumer) can be given access to their up-to-date commission statement via the internet. There is transparency for every sales person. This leads to more staff satisfaction as well as lower staff turnover combined with less back office work - altogether: less process costs." SIG is a people business that prides itself in reducing central office headcount and the overheads that administrators and form-fillers bring. There are no extra clerical staff needed for moving the non-existent paper around. Managers have clearly defined and often multiple roles. The computing system acts as a virtual PA for all. The workflow transparency loop is further extended to the client: "It is like sitting together at the same "virtual" table at the same time with the same piece of information. This approach avoids unnecessary update meetings and gives faster feedback and possibilities to adjust field and back office tasks. The whole philosophy combines minimising of costs with optimising the budget spending and field performance." SIG has a philosophy called 'just in time'. This is not a reference to getting work completed in a nick of time, but a business philosophy to do with combining real-time knowledge with real-time actions - "The permanent improving of processes in the field and in the back office optimise the whole process chain."