

# Managing for Effectiveness in the Food Sector: A Case Study

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## SYNERGY

Food Safety  
Management

Organizational  
Effectiveness

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## Case Study of Company XYZ...

- Year of Incorporation: 1995
- Ownership: Private (Indian)
- Location: Bikaner
- Products: Bhujia, Namkeen, Canned Rasgulla, Canned Gulabjamun, Soan papadi, Papad
- Production: 40 TPD
- Market: Domestic as well as Overseas

...modernizing and extending its reach

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## Objectives

- To document the experiences of the company in attempting to apply modern management principles
- Explore the relationship of food safety management to components of organizational effectiveness

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## **Methodology**

**Secondary Data**

**Participant Observation**

**Semi-structured Interviews**

**Synthesis**

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## **LEGACY FACTOR**

**- prior technical know-how, on the part of the promoters, and familiarity with the sector**

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## Food Safety Management Initiative

- IS 15000:1998 (HACCP)
- Support from APEDA
- Process Centric, Preventive Approach
- Quality assurance begins at vendor development to dispatch

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## Management Commitment

- infrastructural ,motivational, intellectual and financial

- Effort from top to bottom of the organization to enhance awareness
- Resource allocation- QC Lab, Testing Equipment, SS, Civil Maintenance, Provisions for Hygiene
- Planning and execution (AOP)

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## Organizational Restructuring

- Evolution of a formal organizational chart, and accountability accordingly.
- Work instructions to account for all kinds of imagined eventualities (preventive approach)

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## Organizational Restructuring

- HR- role in employee motivation, awareness, trainings and observing extent of compliance
- QA- raw material, in-process goods, and product

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## Documentation and creation of manuals

- Clarity of work instructions
- System falling into place
- Knowledge sharing

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## Pre-requisite programme

- The standard professional procedure used to control the conditions in food plant environment which contributes to the overall safety of the products.
  - Hygiene training
  - Provision to facilitate hygiene
  - Water quality programme
  - SS equipment

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## Internal Audits

- Internal checks
- Cumulative refinement of the systems
- Enhanced confidence
- Serve as mock audits prior to actual ones

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## Other initiatives and instruments used

- Pull tab cans- easy to open
- Metallized / coloured packaging
- Varied pack sizes
- High technology equipments
- Food increasingly untouched with hands

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## Mitigation of tangible and intangible losses

- Cost of wasted material
- Disposal
- Cost of man hours for work and rework
- Cost of product recall
- Market share
- Customer loyalty
- Brand image

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## Benefits..

- Increased productivity
- Losses mitigated
- Technology upgraded
- Packaging improvised
- Organizational structure rooted in the domain and contextual requirements.
- Organizational processes revamped
- Price competitiveness

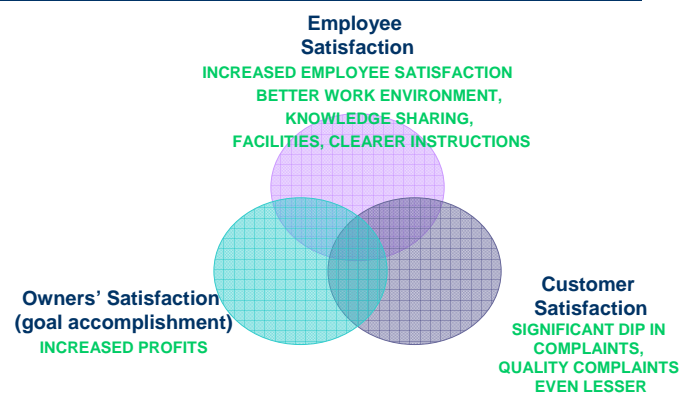
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## Benefits..

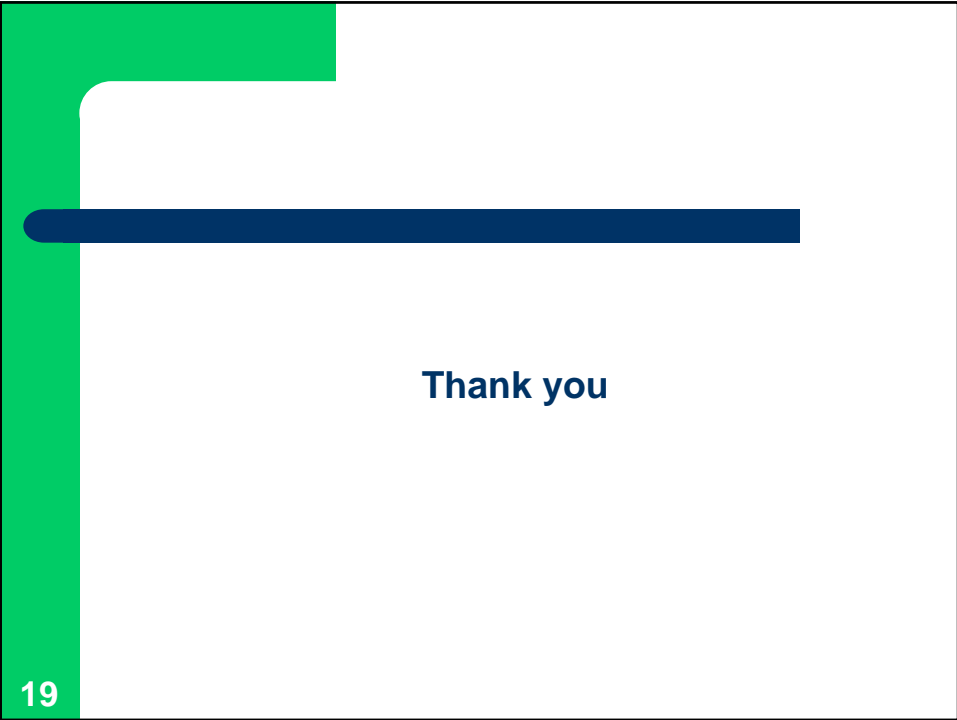
- Increased profits
  - 2.16 Cr (2003), 2.44 Cr (2004)
- Increased employee satisfaction
  - Better work environment, knowledge sharing, facilities, clearer instructions
- Increased customer satisfaction
  - Significant dip in complaints, quality complaints even lesser
- Enhanced confidence in product, processes and systems

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## Organizational effectiveness



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Thank you