

CASE STUDY:

JOHN HOGG

A NEW STRATEGIC VISION FOR INNOVATION AND GROWTH

John Hogg is a leading provider of brand protection solutions and compliance products for the international petroleum industry. The Executive Board appointed IfM Education and Consultancy Services to create a new business strategy and embed roadmapping within the organisation.

► Impact

Adoption of a more consultative and market-led approach to strategy generation

New product developed and launched, projected to contribute £1.5m in revenue during its first year

Reallocation of £1.4 million worth of R&D investment to focus on other key growth areas

“The workshops were a fantastic way to get alignment, understand the value in the business and crystallise our thinking. We were able to link technology and market drivers together to create new product ideas, identify areas for continuous improvement, and ultimately, we came away better equipped to make changes in the business going forward.”

Phillip Double, Technical and Commercial Director

► About John Hogg

John Hogg provides technology driven chemical marking systems to the international petroleum industry, protecting the value of fuels and branded products against counterfeit, adulteration and other fraudulent activity. They are the leading supplier of regulation compliance products which are used to distinguish different tax brackets on fuels and protect the fiscal value.

► The challenge

A newly appointed executive team, including the CEO, Technical Director and Financial Director, identified a need to grow and seize opportunities they could see in the business.

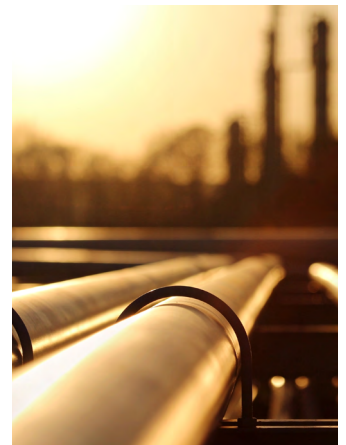
However, they were also faced with a number of challenges including:

- Shrinking regulation compliance which accounted for a significant proportion of their revenues
- A lack of innovation and new product development, which meant they hadn't launched a new product for a few years
- A lack of clarity and confidence in prioritising decisions and future plans

To achieve the growth they wanted, they identified a need for a more robust strategy creation process moving forward.

► The process

John Hogg's Technical and Commercial Director, Phillip Double, had previously attended an IfM Strategic Roadmapping Course and saw alignment with the challenges they needed to address and the IfM's roadmapping approach. IfM ECS facilitated a series of workshops, including business strategy creation, with stakeholders from across the business.





“We felt that for us as an SME the return on our investment was high. Not only did it help crystallise our vision for the business, it gave us confidence in our decision-making.

We’ve changed the approach and language used in relation to our business strategy. The workshops and perspectives have ensured our effort is focussed on the places that offer the most value – something that’s really important as an SME. I would highly recommend IfM ECS to anyone wanting to bring clarity and focus to their strategy.”

► IfM Education and Consultancy Services

IfM ECS provides consultancy and professional development – based on the research and approaches developed at the Institute for Manufacturing – to help manufacturing companies around the world create and capture value more effectively.

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► The results

John Hogg now have a more robust business strategy creation and review process which is aligned with project, business and budgetary planning cycles. Ongoing use of roadmapping also helps the business link technical capabilities with market demands.

Following the process, the business has invested heavily in areas identified through the workshops and this is having far reaching effects across the business. This includes strengthening their commercial position and improving customer intimacy by significantly investing in expanding the commercial team. Following the investments, notable impacts include:

Reallocating £1.4 million worth of R&D investment

The new business strategy informed the decision to reallocate £1.4m of investment into other key areas of the business that were identified as having the potential to increase growth. Key areas include job creation, technology development projects, and a focus on building strategic relationships with other companies with complementary strengths.

Target to improve operational efficiency by 20%

To help them increase their commercial presence, John Hogg needed to improve operational efficiency. To do this, the business have already invested in new equipment and new jobs, including a Process Chemist and Engineer. This has enabled them to deliver a better-quality product and dramatically improve efficiency in the main plant leading to significant savings.

Adoption of a market-led approach

The process has helped the company to improve their understanding of the market needs and to adapt to a more market-led strategy for technology development and commercial opportunities. John Hogg have expanded their Business Development team and have a better understanding of their core product market groups so that, right from the innovation stage, the customer is placed at the heart of all decision-making processes.

Subsequently they have won new business in both regulation compliance and fuel brand protection areas. They have a global presence, and launched their first new product in a few years, projected to bring in £1.5m revenue in the first year after launch.

Impact on culture and new approach to innovation

One of the biggest impacts for John Hogg has been the change in approach when planning for the future. The business strategy is now built through debate and consensus, involving ideas from across the organisation, which in turn has had an impact on culture.

To facilitate this, the new strategy review process involves open forum meetings and drop-in sessions encouraging employees at all levels to challenge and contribute their ideas to the process. They have also developed a ‘strategy corner’ (pictured, left) where anyone in the organisation can view the synthesised landscape at any time and get involved in the debate.

Investment in new products and facilities

Roadmapping has helped the company have a better understanding of their current situation, where they want to get to and, most importantly, how to get there. Having more confidence in each of these areas when it comes to decision making, coupled with their new focus on innovation, has led to planned investments in key facilities. These include new state-of-the-art laboratories, plant upgrades and collaborative workspaces.