



## How delivering transformational change helped Newsprinters, a key player in the print media sector, gain competitive advantage in a complex and challenging environment



Leading UK-based specialists in newspapers, Newsprinters services its customers with the most technologically advanced printing methods and bespoke range of distribution and circulation services.

### OVERVIEW

3

Print sites in the UK

24/7

Running operations

20m+

Newspapers printed and delivered weekly

25k+

Distribution points in the UK

750+

Employees

21

Separate functions

20%

Reduction to cost base

### THE CHALLENGE

An enduringly important sector in the UK economy, the newspaper industry is challenged by the pressures from online competition, which is luring readers with free content and taking an increasing share of advertising revenue. As one of the key players in the supply chain from journalists' keyboards to customers, Newsprinters needs to constantly manage costs while maintaining the service continuity that is paramount to both its publishers and loyal readers.

**The aim:** to improve Newsprinters' profitability and competitive positioning through increased efficiency and agility.

### THE SOLUTION

Newsprinters approached Vendigital to conduct a review of its operations and both propose and implement solutions to improve organisational efficiency and reduce costs across the business. Vendigital worked collaboratively with Newsprinters, jointly project managing the programme which was organised into four key workstreams.

Over the course of an initial three-month opportunity assessment, Vendigital toured the sites, observed operations, engaged stakeholders, analysed data and mapped activities relating to the production process and facilities management. After developing a vision and a plan for the organisation – aligned to their strategic objectives, - Vendigital brought a combination of specialist skills and knowledge to deliver the transformation, including deep data analytics, industry expertise, organisational design, and project and change management. Vendigital also played to its core procurement strengths, leading the end-to-end tender process for a multi-site integrated facilities management solution and supporting the contract renegotiation with one of Newsprinters' key suppliers.



*In the last 12 months, our business has undergone a complete transformation and Vendigital have been instrumental in helping us achieve this. Working with Vendigital helped us challenge legacy practices and the status quo and allowed us to push for outcomes beyond what we may have achieved on our own. Our business is now in a fundamentally stronger position both in terms of being competitive in the market and our long-term sustainability. Vendigital have been crucial in helping us achieve that.*

**Darren Barker, Managing Director, Newsprinters**



*Working with Vendigital has been incredibly rewarding. Despite the challenging and sensitive nature of some of the changes we implemented, we have been successful because of the meticulous planning and attention to detail of the joint Vendigital and Newsprinters team. Their positive and open engagement style helped us get buy-in from the business to implement this major transformation.*

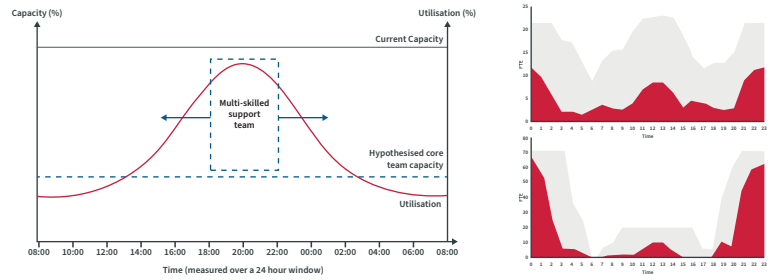
**Richard Johnstone, Business Improvement Director, Newsprinters**



*Vendigital's uniqueness lies in our ability to both create and implement the optimal solution for our clients. This project with Newsprinters has been the perfect example of an end-to-end programme of work; following on from the identification of an opportunity to working closely over 12 months to successfully deliver outcomes for their business. Our colleagues thrive on affecting measurable change within our customers.*

**Simon Woodcock, Director, Vendigital**

**Latent capacity hypothesis:** Vendigital noted that the combination of having shift work and employees assigned to individual functions inadvertently created silos and pockets of latent capacity in different teams at different times. The hypothesis developed was that moving towards smaller core teams of experts supported by a multi-skilled roaming support team would remove those pockets. During the opportunity assessment, Vendigital created “real” bell curves, mapping capacity against activity for the production process.



## THE RESULTS

- 20% savings achieved against the total cost base
- 21 separate functions fully reviewed and restructured into five core business processes
- Transparency and improved control over capacity and cost

After a 12-month engagement and a collaborative change programme run by Vendigital, Newsprinters’ organisation has been transformed and a new culture of business optimisation has been embedded. The cost base has been reduced by 20% and a new management structure has been implemented. 21 operational teams have been consolidated into five business processes and a multitude of roles have been redefined with almost no part of the organisation left unaffected. All this has been achieved while continuing to ensure 20 million newspapers are printed and in the hands of customers every week - without fail.

Beyond the savings delivered, the organisation now benefits from a much-simplified management structure and agile operations. Newsprinters has subsequently won two contracts and have been able to take on the additional workload with less incremental resource and cost due to better visibility on capacity and impact to the cost base.

Some of the changes implemented resulted in redundancies as well as significant changes to other roles, including shift patterns, job specifications and organisational structure. The fact that this profound transformation has been achieved without any detrimental impact on business as usual operations is a major success and a testament to the focus placed by the joint Vendigital and Newsprinters team on treating everyone impacted fairly and properly.