

## Quick Business Analysis Example

### Success is very rarely accidental

Most successful businesses routinely examine all areas of their operations and fundamental to that appraisal is a business analysis.

Without business analysis you can only be reactive instead of proactive; you will always be reacting to events instead of foreseeing them, preparing for them and being in charge of where your business is headed.

### Some possible business analysis considerations

Think about the following factors

- analysis of competitive environment & market
- income & profit goals; sales targets
- production goals & activities
- resource needs (financial, material, people)

### What goals do you want your business to achieve?

Look at

- target production rate
- budgeted operating costs
- maximum acceptable time lost through injury
- maximum acceptable level of customer complaints or dissatisfaction
- maximum acceptable shrinkage or wastage
- targeted increase in market share.

Ask key staff and managers in your business what they want to accomplish and how training and development activities could help them achieve their goals.

### Look at coming changes in your business environment

Some of the factors that may affect your business

- political and regulatory changes e.g. industrial relations, superannuation, taxation, climate change issues
- product market changes e.g. shifts in consumer/client tastes
- competitors e.g. new or stronger rivals e.g. overseas manufacturers
- technology e.g. automation of production (e.g. CNC machines) and communications technology
- materials e.g. new alloys, composites, plastics etc, that allow new products to be developed and old ones improved
- labour market e.g. skills shortages, labour shortages

What internal changes might the business need to make as a result?

- business model
- products/services
- production processes
- technologies & materials

## Forecast what these changes will mean for your workforce

What will the business workload be over the planning period? How will this affect the makeup of your workforce?

- Size – will you need more or fewer people overall? When will you need them?
- Composition – what mix of different job roles (occupations) will you need?
- Skills – will your people need new skills? Which skills?
- Structure – will you need everyone full time, or some part time or casual?

How many people will the business need, in each job type, to do this work on time and to standard?

- Managers
- Supervisors/team leaders
- Trades
- Production operators
- Stores & drivers
- Office
- Other

What new/extra skills will be needed, in each job type, to do this work on time and to standard?

### Other considerations

What is the labour market like? Are workers hard to find?

Is it difficult to find people with the right skills?

Staff turnover – is employee turnover increasing (or decreasing)? What strategy is needed to deal with increasing staff turnover?

How will you retain key staff?

What skills are essential to your operations?

Do you have a plan for replacing crucial skills lost through staff turnover?

The following Quick Business Analysis example, together with the template for your own use, will help you to consider your business needs and to identify implications for workforce development.

Items	Issues	Implications/action required
<b>What external factors will the business need to consider in the planning period, in the following areas?</b>		
Business regulations	Changes to Industrial Relations laws – not sure yet how it will affect the business	Find out about impact & opportunities
Worsening economic conditions across industry	Increasing loss of mainstream engineering work. Will need to tighten belts and operate much more efficiently.	Need to continue with plans to downsize general engineering ops and diversify into specialist areas, such as Defense and Aerospace. This will mean changes to skills needed for engineering design and shopfloor.
Competition	Other competitors/industries poaching skilled employees	Must develop retention strategy – reward, train, retain – especially CNC machinists
<b>What internal changes will the business make in the planning period, in the following areas?</b>		
Business model	Move to increase role as a value chain specialist supplier to specific industries. Implementation of KanBan system, 5s, DIFOT and competitive manufacturing principles to facilitate supply chain focus	Workforce needs training in competitive manufacturing principles and new procedures, incl KanBan and 5s
Products/services	Commence manufacturing Remote Flight Manipulator System for RAAF in June next year	New Defense production team to be formed Investment in micro deburring and mirror polishing equipment
Production processes	Introduce new flexible shift system in June	Transition to new rostering system to suit both staff and business needs. Workforce committee to discuss and assist transition arrangements
Technologies & materials	Introduce new stores/inventory software in March New metrology equipment to be installed in testing room by August. Upgrade of CNC equipment needed for more specialist machining ops in Aerospace	Stores staff will need training in new software  Staff development for additional testing equipment  Finalise purchase and install EDM 5 axis wire cut machine Training required
Workforce management method	Introduce specialist skill team for Defense contract.	Team and leadership training for each work cell. This to be an action learning project for establishing team for later aerospace contracts.

