



Mike Jagger: using in-depth analysis to identify waste in his company

DOMINIC SCHAEFER

Business managers say small changes can create big cost savings, but sometimes sweeping cuts need to be made

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Effective cost-cutting strategies are a staple in any business, good times or bad, but industry leaders say it's not about how much a company cuts but making sure those cuts are the right ones to make.

According to Michael Jagger, president of Provident Security and Event Management Corp., it's all about identifying the unnecessary or wasteful parts of your business and getting rid of them for good.

"The key message really has to be, 'Is what you're doing offering value to your customer?' And if it is, keep doing it and if it's not, then look at ways to get rid of it. It's an ongoing thing," explained Jagger, who added that it's not about cutting for the sake of cutting but identifying the difference between "value and waste."

It's also about making informed decisions, said Jagger.

In just over 13 years, he's managed to grow his business into one of the largest security companies in B.C.

with more than 160 employees.

Although he admits he's made some mistakes along the way, Jagger said he's learned that one of the best ways to identify waste in a business is through in-depth analysis.

"Take any process in your company where you think you have some waste ... and literally get a pack of Post-it notes and break down each individual little step of that process and just map it out," said Jagger. "It's amazing when you see processes that you think are kind of simple but there are just so many parts [to them]."

Last year, Jagger and his employees discovered that an e-mail system they had set up for their clients was not only inefficient, but of almost no value to those clients.

The system was cut, and Jagger said it's saved the company almost \$60,000 a year.

He believes it's essential for a company to analyze every component of the business and try to avoid sweeping cuts that may alienate employees or clients.

"Doing an across-the-board cut is probably one of the worst things a



PR manager Abdulla: although Nurse Next Door may be doing well, it maintains financial "prudence"

"You've just got to take a look at all of your resources and say, 'OK, what do you need to do to be the most effective in the marketplace?'"

Another Vancouver-based company that believes little things can create big cost-cutting advantages is Nurse Next Door, a senior health-care company.

Arif Abdulla, Nurse's marketing and public relations manager, said a company should always search for new ways to streamline its operations.

Nurse, a franchise company that began only seven years ago and now operates 24 locations nationwide, transformed its office-to-office fran-

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- Michael Jagger, president, Provident Security and Event Management Corp.

person can do. It's not as simple as numbers, you have to break it down to the processes," said Jagger.

But Stuart Haskins doesn't necessarily agree. Haskins is the general manager and vice-president of Vancouver's Dueck Auto Group, one of B.C.'s largest auto dealerships, and he believes sometimes big cuts need to be made.

"I think there are times when certain businesses in certain times have to make sweeping cuts, and maybe that's not our business ... but when you know your sales are going to be down 40%, ... there comes a time when you've got to say, 'You know, I've got to make some sweeping cuts and here they are,'" explained Haskins.

However, he added that simple things like multiple quotes from suppliers or regular employee performance appraisals can make also make a big difference on a tight bottom line.

chise checkups into large regional meetings to save time and money.

"It's a great way to ensure that we're still getting that face-to-face interaction, and the level of service is still there yet there's a level of incentive for employees there as well," explained Abdulla.

He said Nurse also makes financial statements available to employees for greater transparency and actively engages in employee sharing to cultivate the best talent within the company.

More than anything though, Abdulla said the company's success is based on the belief that it would rather cut a company process than lose a good employee.

"We want to make sure that we're still growing sustainable and not compromising our level of service to our franchisees or clients," said Abdulla. "Our philosophy here is that it's never a people problem, it's always a systems problem." ■

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