



Title:	Anthony Hengel Chief Executive Officer
Company:	NCI Packaging
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Context: In the Jan-Feb 2010 edition of the Harvard Business Review, authors T.M. Amabile & S.J. Kramer provided ground-breaking findings into what produces a “good day” in the workplace. Within some 12,000 individual diary entries, “progress” or the sense of ‘moving the dial’, was the vital ingredient discovered in over 76% of the “best day’s” at work recorded by participants.

Margin Partners Advisory is interviewing Australian Leaders to benchmark the regularity of “good Workday’s” and to provide insights into how the frequency of such days can be increased.

- 1** Describe a Good Workday for yourself:

It’s when I’ve manage to solve problems that result in a permanent benefit to our business. This can take many forms but any issue to do with a customer is of special significance to me. Helping them find both supply and operational solutions is a vital point of difference within our service offer.

I consider the “I win, you lose” approach a dated way to do business. Days that deliver Win/Win outcomes for all our stakeholders are to be savoured

- 2** On average, how many Good Workdays do you have a month?

Pleasingly, more are good than bad. There are increments to be gained each day and I liken it to a puzzle. Every employee holds a piece and we are working on finding the optimum way to put it (our offering) together. If we do it really well, customers will look on in admiration and want to work with us. Most days I see us making good progress and it’s particularly satisfying to have long term employee’s so willing to improve.

- 3** Describe a Good Workday for the NCI Packaging P&L?

I think our P&L responds well to continued achievement of commercial expectations. Unlike a Public company, our P&L can display greater patience with the timing of results, secure in the knowledge that attainment of the end goal is on track. I liken our approach to that of Test cricket. There are always ebb’s and flow’s, however, the end result is the all-important outcome. We and the P&L remain focused on that.



4 Do the two Good Workdays align?

Absolutely. The tough conversations have been had internally and strategies approved. We have a clear plan to develop the business over the long term and all are cognisant that regardless of short term issues, we will seek to hold the course. It means a great deal to all of us working in the organisation that we have the licence to evolve an established business within pre-defined boundaries. There is an energy that emanates from our people as a result and it's exciting to be a part of a turn around.

5 Where is Margin Erosion most likely to occur in your sector?

There is a hidden cost in being customer centric. To meet ever changing needs of customers we seek to be responsive and that can create a domino effect. Smaller job runs are a great example. We want to offer flexibility but the cost to do so is material. Does this then mean that better service is a 'leak' or a necessary 'cogs' component? We, like many manufacturers are grappling with this and it necessitates a broader conversation with stakeholders regarding the sharing of costs and the resulting value. As companies compete within segments there is every chance that Suppliers increasingly absorb added costs to simply stay in the game. Our challenge is to provide and communicate a broader value proposition that transparently demonstrates the holistic value we offer as a business Partner.

6 Key Takeout:

When interviewed, Anthony Hengel spoke for over an hour about his business and the transformation he is leading. His drive and enthusiasm was palpable yet most striking was his desire to see NCI Packaging be more than an input supplier to customers. Anthony rightly talks in terms of how his people can act as advisors to customers and provide insights that can sharpen the efficiencies of their complete supply chain. He talks of a bigger vision that involves integration, cross functional optimisation and a willingness to 'ride' with customers as they plot their own growth journeys.

More Australian manufacturers will need to adopt a similar mindset to remain competitive in the future..