



PRESS RELEASE: THE FIRST PROJECT HAS COMPLETED ITS PHASE 2

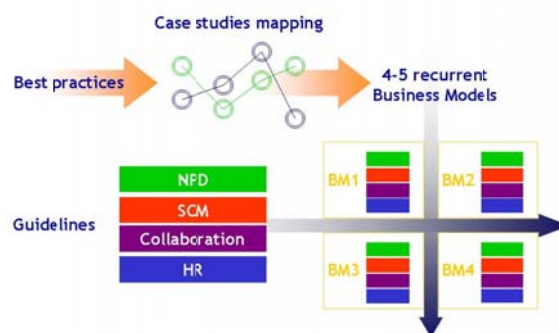
During phase 2 of the FIRST project, the partners were involved in the activities related to the development of tools to assist the furniture manufacturers to face changes and restructuring phases.

In particular this meant taking as guidelines what was written in the project proposal that stated that the methods to be developed should be based on the analyses conducted in the earlier phases of the project that looked at the costs, technology and manufacturing process, the supply chain management and logistics and also the support systems that are typically used in companies operating in the furniture industry. In particular, the scope of the proposed methodologies developed during this phase of the project was to provide criteria to evaluate the challenges companies face and then to understand how to make decisions with respect to restructuring.

Development of the guidelines

Hence, the first phase of the development of the methods and tools involved an intense data gathering phase in order to better understand how to develop the most appropriate methods and tools that companies would find useful in the light of the objectives of the project. This meant understanding what type of set of tools could be found useful and insightful for managers and entrepreneurs that do not have the time nor the necessary skills and competencies to read business manuals and reviews and translate them into potential business strategies and operations that can lead them to intelligently restructuring their enterprises to respond to the changing needs and times of business and of the consumer.

The result of this analysis was then followed by the development of a potential methods and tools format that was concretized into a set of simple and insightful guidelines related to five areas that the consortium deemed important. These areas include: New product development/Innovation, Supply chain management, Cooperation, Human resources and Outsourcing.



These in turn were further analyzed in order for the consortium to be able to develop 8 different guides/manuals related to:

- 1) Company positioning through innovation - related to the principles of innovation as a guiding light for companies wanting to differentiate themselves using product, process and service innovation as a competitive advantage in their restructuring;
- 2) Strategic cooperation - related to the principles pertaining to what it means for a company in restructuring to take advantage of potential synergies in cooperation;
- 3) Supply chain management - related to the principles governing how to effectively manage a supply chain in restructuring;
- 4) In house manufacturing or outsourcing - a subset of guidelines related to supply chain management;
- 5) How to align a human resource strategy with respect to restructuring;
- 6) The ISO 10303 standards - a guideline on how to adopt and implement the standard
- 7) Managing the process of change in the furniture manufacturer on what it means to manage change during restructuring
- 8) A market driven approach in the furniture industry - related to better understanding the consumer and his/her domain and behavior in choosing product offerings in the furniture sector

Development of the online self-diagnostic tool

In addition to the coordination and development of the guideline's framework and the in depth analysis and development of the partners developed an online diagnostic tool that acts as the "fil rouge" to the overall methods and guidelines mentality adopted by the FIRST consortium in the development of a set of tools to support EU furniture industry companies.

In particular, the MEDIFA and MIP-Politecnico di Milano were responsible for the generation of the online diagnostic tool blueprint in which the step-by-step logic, sequence of interactions and linking to the guidelines framework were conceived to be then implemented by other partners of the consortium to then be used and evaluated during the testing phase of the FIRST project.

The overall objective in the development of this tool was not only to develop a user-friendly online diagnostic tool, but to more importantly make this self-diagnostic tool an integral part of what the FIRST consortium deemed to be important:

"The self-diagnostic tool must become the first tool a company approaching the consortium uses to better understand its positioning with respect to the 5 areas of analysis identified during the course of the FIRST project (New product development/Innovation, Supply chain management, Cooperation, Human resources and Outsourcing. A first step that can then lead them to better understand the strengths and limitations that can then help us discuss with them how to improve their performance through the guidelines and one-to-one dialogues"

With this in mind, the blueprint of the FIRST online self-diagnostic tool was developed in collaboration with the other members of the FIRST consortium considering the analogy of performance: A sort of game of gauging your performance over a benchmark. Hence, with this analogy in mind, the target company would use this online self-diagnostic tool to evaluate its performance by benchmarking its abilities and skills against other companies operating within and outside their specific furniture industry sectors in order to allow them to evaluate their overall performance. A game played on the following strategic fronts:

- Innovation

- Strategic cooperation
- Supply chain management
- In-house manufacturing and/or outsourcing
- Human resource strategy and management
- Managing change
- Marketing
- Industry standards & certifications

Moreover, being an online diagnostic tool and being based on previous work conducted during the FIRST EU funded project, not only was the blueprint designed to be able to allow companies to benchmark their abilities and overall strategic position against similar companies, but it was also designed to offer a third type of benchmark stemming from the point of view of a panel of experts: the FIRST consortium and in particular the expertise of its association and industry partners.

Consequently, not only does the tool allow these companies to benchmark themselves against their direct competitors, it also allows for a deeper consideration based on what a poll of experts in the furniture industry consider to be important performance parameters for the future of the European furniture industry.

Hence, the FIRST on-line diagnostic tool allows the target companies to:

- Benchmark their performance against similar companies along various strategic lines
- Benchmark their performance against the industry average along various strategic lines
- Benchmark their performance against the industry average and the expected performance levels evaluated with the support of industry experts
- Evaluate their overall position and determine their strengths and weaknesses/areas to improve with respect to sector & industry plus expert opinions upon which they feel companies should invest

Finally, with the benchmarks and evaluations as feedback, the target companies are also offered, through the diagnostic tool blueprint a “further” reference approach to support them in improving their strengths and/or weaknesses by referring them to the guidelines to read, evaluate and internalize within the company before contacting the FIRST consortium in order to get more information and knowledge from its consortium players. Please try the tool on <http://www.ueanet.com/first/first-tools.asp>

Testing

During this phase of the project, the partners tested and fine-tuned these guidelines and tools within a small group of SME’s.

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