



A&P Appledore Ship Repair

Protecting an investment

After backing a new management team at A&P Ship Repair, in England, Schroder Ventures, hedged their bet, by asking Renoir Consulting to have a look at the yard in Falmouth to see if there were immediate opportunities. Working with Renoir, A&P racked up additional bottom line profits of £16 million (\$24 million).

“When Schroder’s (venture capital) brought you in, we were not pleased. It didn’t take us very long, however, to understand what you could do for us, thus the invitation to work in our other yards. The results are obvious.”

Frank Nugent
CEO

Key Results

24% productivity improvement

7% reduction in ship
turnaround time

100% due date achievement

267% increase in profitability

THE RENOIR GROUP

Renoir Consulting is a world leader in sustainable, implemented change. Founded in 1994, Renoir has offices located in North and South America, UK, Europe, Turkey, Middle East, Southern Africa, India, Pakistan, China, South East Asia and Australasia. With over 350 fully employed and highly trained consultants, their work across a wide range of industry sectors gives them a broader perspective of the issues facing your business, allowing them to be sensitive to your unique challenges, culture and specific business issues. This cross-pollination ensures truly effective, rapid and sustainable solutions.

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ANALYSIS

During an initial Analysis phase at the Falmouth yard, Renoir consultants quickly began to understand and quantify the opportunities available to A&P. They looked at: management systems; organisational structure; business processes; performance levels and product/service costs; equipment and yard utilisation; behaviour and cultural issues; technical, supervisory and managerial issues; development and training needs; planning; maintenance systems; outside contractor utilisation; and communications.

PROJECT

It was decided to develop a project based on ‘job teams’: estimators, planners, supervisors, and union representatives. Renoir believed this would ensure buy-in and ownership, leading to much higher levels of profitability.

A&P operates with a core group of employees and relies on contracted labour (up to five times the number of permanent staff) to carry out work. Controlling this workforce is difficult in terms of planning, quality control, scheduling and productivity. Key to success was excellent communication and new methods were developed and supervisors trained.

Overall yard planning was improved to maximise the work that could be handled and new project control systems were implemented to enhance predictability of completion and ensure that no “surprises” occurred. Business processes were analysed and re-designed, as required, using employee input. As the first ship progressed, the successes were evident, the results publicized, and greater numbers of employees expressed a desire to become involved.

Renoir was asked to extend its presence to all three yards, and a new, more commercial culture began, with greatly improved profitability as a result. Gone was the “get it out at any cost” mentality.

KPI’s were revised and implemented along with continuous improvement systems. These new, more accurate KPI’s also contributed to behavioural shifts as the employees could now believe in the metrics.

World Leaders in Sustainable Change

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