



TAKING DECISIVE ACTION DRIVES A PERFORMANCE CULTURE

A 4-MONTH COST OPTIMISATION PROGRAMME THAT DELIVERED IMMEDIATE RESULTS AND PUT IN PLACE A FRAMEWORK FOR DOUBLING PROFITABILITY WITHIN A 12 MONTH TIME FRAME



ENNOVATE
MANAGEMENT CONSULTING

Halcrow

BACKGROUND

Halcrow is a multi-disciplinary engineering consultancy specialising in the provision of professional planning, design and management services for infrastructure development worldwide.

With revenues of £400m and over 6,000 employees across 98 offices worldwide, Halcrow has won numerous awards for its engineering excellence and has a heritage that spans over 125 years.

BUSINESS CHALLENGE

In June 2011 Ennovate were asked by the Halcrow Group Business Development Director, to help design and mobilise a cost optimisation programme. The programme objectives were to reduce costs, improve cash flow, complete the implementation of a new organisational structure and strengthen operational performance.

Halcrow had recently undergone a restructuring involving management delayering and simplification but the changes had yet to be fully embedded throughout the organisation. The external environment reflected tough trading conditions in terms of revenues and new business activity. The existing cost structure was based on an operation focused on market expansion and growth.

The challenge was to modify the predominant leadership focus on expansion and growth by creating a new paradigm in which the leadership team and company focussed on cost containment and prudent market expansion.

“ENNOVATE’S PERSONAL APPROACH AND COMMITMENT HELPED HALCROW MOBILISE CHANGE FAST AND EFFECTIVELY. THEY BROUGHT INSIGHTS, LEADERSHIP AND PRACTICAL KNOW-HOW AND INTEGRATED WELL WITHIN OUR TEAM. THEY CHALLENGED US TO BECOME A BETTER ORGANISATION AND TOOK US WELL OUTSIDE OUR COMFORT ZONE. I WOULD STRONGLY RECOMMEND ENNOVATE AND ON A SCALE OF 1-10, I WOULD GIVE THEM 10”

DR MARK BROWN, GROUP DEVELOPMENT DIRECTOR, HALCROW

DIAGNOSIS & INSIGHT

We discovered that to reduce costs and to deliver an immediate performance improvement required a counter-intuitive process of making simple requests to the Executive Leadership Team and getting their commitment to taking costs out of their operation.

We identified a number of cultural issues which were preventing Halcrow from moving to action. The traditional way that Halcrow made change happen and delivered process improvements was based on a network of favours and deal making between senior and mid-ranging executives within the company. This approach delivered sub-optimal results. An avoidance culture and a lack of willingness at Executive Leadership level to tackle difficult issues head on was stifling decision making and action.

Clearly communicating changes in policy using simple language that removes exceptions and ambiguity will drive instant and positive outcomes. We designed and implemented a series of simple binary rules and removed the opportunity for ambiguity with zero exceptions. We made the new rules, processes and cost control objectives transparent and sought the commitment of the Executive Leadership team to them. The results were instant and well received by employees who perceived the new regime as tough but fair.

To sustain changes in behaviour it is necessary to reinforce them at every opportunity. Moving fast to get management information that supports the behavioural change is far more important than waiting to construct a detailed MIS.

HOW ENNOVATE HELPED

We deployed a variety of consulting disciplines; Change Management, Leadership Coaching and Mentoring, Commitment-based Management, Business Analytics and Project Management.

Working with a small team consisting of internal and external consultants we:

- Designed a project plan with outcome driven milestones every 2-3 weeks.
- Introduced tools for tracking the performance and success of the interventions made.
- Designed and delivered a series of requests and coaching conversations that led to decisive actions, commitment and new levels of accountability cascading from the Executive Leadership team and across the global business.
- Designed and mobilised a communications programme that built buy-in and commitment to change throughout the business.
- Designed and implemented a performance measurement process.
- Designed and implemented sustainable processes and practices to embed the change.

IMPACT

Halcrow has taken the initial steps towards achieving a cultural change that is delivering improved operational performance and is on track to deliver £22million in cost savings over an eighteen month period. Over the course of the first 3 months we delivered £1.6million savings.

The company is preparing itself to integrate with CH2MHill, an engineering company headquartered in the US with 23,000 employees worldwide. The work done by Ennovate is credited with helping Halcrow prepare for the wider and profound changes that will come as part of that integration.



ENNOVATE
MANAGEMENT CONSULTING

Halcrow