

North American Construction Group

No challenge is ever too great

Case Study
Metals & Mining

Extracting the client's full potential in one of the toughest operating environments on the planet

Company Name: North American Construction Group (NACG)

Location: Western Canada

Sector: Metals & Mining

Business Challenges: Re-evaluate the mission and vision of the business, create an operation that measures, plans and controls as effectively as it works

Consulting Services: Asset Management, Organizational Effectiveness

Client Quote: *"What would have taken years, you guys have done in months."*

Chris McNeil, Project Manager at NACG

Situation

Founded in 1953, North American Construction Group (NACG) is one of Western Canada's largest contractors, employing over 1,800 people. From its beginnings in road construction, the company's business has grown to encompass four main operating segments: Mining, Piling, Pipeline and Site Preparation.

NACG needed to improve operational efficiency, to cut costs and win more business. Internal systems were not adequate to secure visibility and accountability in project performance. Maintenance systems, policies and procedures were almost non-existent, resulting in a "run to fail" reactive environment. And the organically grown organizational structure meant that, too often, roles and reporting relationships were not clearly defined.

NACG's challenge to Celerant was to effect a successful operational transition to support the inevitable future demands of increased competition and operation under the scrutiny of being a public company. Celerant had to do this in a matter of months, in one of the toughest operating environments on the planet.

Approach & Delivery

Working in very close collaboration with the client, in the field and at the corporate headquarters, Celerant partnered with the NACG taskforce to implement COBRA (Changing Organizational Behaviors, Results, and Attitudes),

a comprehensive program that put NACG firmly back on track and laid the foundations for a successful IPO.

Results

- Savings targets were comfortably exceeded: \$32m USD in annualized cost savings versus a base business case of \$22.5m USD.
- An organizational structure was created and fully aligned with commercial imperatives.
- An overall project ROI of 4:1 was achieved.

The initial results were fast and impressive. But the medium, and longer term success of NACG were also key factors. The implementation of a wide ranging sustainability program has insured that COBRA's improved processes, tools, and management systems will be the durable legacy of the project. That's as important for the stock price as it is for the front line operation.

Client Satisfaction

The combined NACG and Celerant team worked together to overcome changing conditions and the initial perceptions of some in NACG's organization to tie results to quantifiable project accounting measures.