

Nuclear Engineering



Technicatome, part of Areva, is an engineering firm specializing in nuclear naval propulsion and civil research reactors among others. They engineer, build, install and maintain nuclear power engines.



Objectives

Technicatome's economic activity relies heavily on the public sector. Reduced government spending meant the company needed to find new markets (commercial efficiency) as well as achieve more competitive pricing (a drastic operating cost reduction program).

In order to reach their goals, an end-to-end approach was needed in addition to a thorough review of the organization's structure; its commercial functions; and procurement, maintenance and project management practices.

The organization had a strong union and was highly politicized, which made the situation even more challenging.



Tools

- The organization was redesigned and aligned into business units which improved the previous failing interfaces between departments (silos)
- Resource management was centralized to better oversee and support the new business units, and was supported by improved planning capabilities
- New policies and decision support systems reduced purchasing costs
- New staffing procedures, an improved supervision function and better decision support improved the productivity of operations and maintenance
- Sales was reorganized – creating a unit to capture new markets. Training and coaching improved the teams skills



Outcomes/ Deliverables

- Implemented a culture oriented toward profitability and margin
- Recurring annualized purchasing savings of \$1m
- General expenses savings of \$2.4m
- Engineering margins increased translated benefits into annualized benefits of \$2.9m
- 19% staff reduction, representing \$6.5m benefits
- The workforce saw their morale boosted as the workforce became more productive and effective and operational performance improved

Proudfoot