

Operational Turnaround for Renold in Calais, France – Steve Nixon

Issue within Renold plc

The automotive chain division within Renold had become loss making. The Calais operation was suffering output, delivery and quality problems, all of which led to special freight and extra operational costs. This cash burn was starving the rest of the group and needed to be reversed as quickly as possible. If this could be done then there was also the option to sell the automotive division to a suitable tier 1 supplier and use the proceeds to expand the general industry business.

Overall contribution / achievement of objectives

Steve worked with the incumbent management to lead seven key manufacturing initiatives, which were 3 on improving output, 2 on reducing costs and 2 on improving quality. Many of these involved training and multi-disciplinary teams to implement the necessary changes. KPI's were implemented a simple but effective weekly reporting system was introduced to monitor progress weekly.

Impact on the business / bottom line

Over a period of 6 months the output was improved and all special freight costs eliminated. Quality was stabilized and vastly improved and overall the operation was brought to cash positive and profit neutral. This allowed Renold to start the sale process of the division which was concluded some 9 months later. Steve was a fundamental part of the sale process as many potential buyers were German and his language and industry knowledge were very useful.

Leadership / people management skills

“Steve provided the French management team with both expertise and encouragement to rescue the situation. He broke the program of action down into manageable pieces and used the knowledge and experience of the supervisors and managers to advantage. His experience from high volume and automotive industry was useful, but probably more was his attitude of nothing is impossible if we work together to achieve it.”

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