

Abdullah A.M. Al-Khodari Sons Company

Constructing a road to continuous improvement

Abdullah A.M. Al-Khodari Sons Company is a multi-faceted construction company that has enjoyed continuous success and steady growth since its inception in 1966 – making it one of the top construction entities in the Middle East. To achieve this success, Al Khodari untiringly searches for ways and means of improving the manner its people work.

ANALYSIS

Consistent with its philosophy of continuous improvement, Al Khodari engaged Renoir to design and implement a Management Control System with specific focus on Productivity. It selected two of its current projects, located in Faisal University in Al Hasa and Taiba University in Madinah. These projects were selected as being distinctly important projects for the company, with a high expectation of deriving significant benefits. Several challenges existed. The experienced senior management team posed a concern regarding its reaction to consultants and their new ideas. A second concern was that the Projects had already reached mature construction phases, raising a question about capturing new benefits.

PROJECT APPROACH

A Taskforce of four Al Khodari personnel were selected to work full-time with Renoir. These individuals were either skilled in their respective fields or had data management capabilities and they received comprehensive training, prior to the Project start from Renoir. In addition a cross-functional Management Action Team (MAT) was assembled to work with Renoir around 20% of their time. They met once every week to move forward with Continuous Improvement process implementation and opportunities.

Step one was to assemble data to establish current baseline performance rates. The performance results were reviewed weekly, utilizing a Meeting Structure that enabled the Team to take corrective actions for sub-par performance. Secondly, the Team – not just Renoir – went about designing and implementing Tools that would enable the Management Team to more quickly and better identify the causes of poor performance. Watching the Al Khodari people working side-by-side with the Renoir, cast aside any concerns about accepting consultants.

A Management Control System (MCS) is now in place that highlights issues to enable immediate action as and when required. Through this MCS, manpower is being utilized more efficiently and Management is better able to Plan in greater detail – almost to the hour!

Furthermore, the Taskforce and the Management Action Team are now driving the System, on their own. The Tools and System remain in place and performance against the starting point continues to improve.

“You have achieved significant results in trying conditions. Your tremendous commitment, tenacity, and grit to dig in and deliver results was inspiring. The discipline inculcated, which directly impacted productivity, and the effective implementation of systems as a sustainable tool to drive this program forward – was a success. In other words, it was a job very well done and in short, mission accomplished.”

Abraham Samuel
Director Corporate
Development

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“We are immensely grateful to you and your team for sharing with us your valuable knowledge and expertise that will guide us in reaching our vision to become a more efficient organization and, late on, become a frontrunner in the industry.”

Mohammed A. Osman
Director, Planning & Cost Control

With the MCS firmly in place, those that participated in this undertaking are able to speak in a common language and be more cohesive in managing their projects. They are using the same Tools and Systems to monitor their performance and taking immediate Action when they start to go off-course. In an ever-changing marketplace, Al Khodari has taken another step to ensure that it continues down the road of opportunity improvements and maintaining growth potential.

KEY RESULT – OVERALL INCREASE IN PRODUCTIVITY

Forecast / Planning

- Operational Planning Tool
- 6 Week Look Ahead
- Shift Monitoring System Control
- Short Interview Control – Whiteboard
- Meeting Structure
- Daily / Weekly Review Meetings

Report

- Daily Manpower and Quantity
- Material Check List
- Key Performance Indicators
- Productivity
- Shift Management
- Action Items
- Absenteeism Control Tool

Improvements

- Significant Increase in Productivity
- Reduction in Overtime
- Reduced Absenteeism
- Implementation of Alarms (Sirens) to Reduce Lost Time
- Training
- Interdepartmental Communication

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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