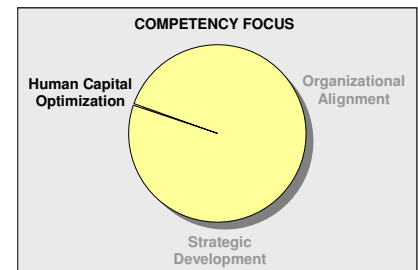


CLIENT: **MILLSTONE NUCLEAR POWER PLANT**

INDUSTRY: **POWER GENERATION**

COMPETENCIES: **- Restructuring/Redeployment**



CHALLENGE

To facilitate the restart of a previously closed Nuclear Power Plant and build back to efficient operations without litigation.

RESULTS

All Nuclear Reactor units were restarted ahead of schedule. The first re-staffing process resulted in twenty three “employee concerns”, all handled in-house. A second re-staffing process resulted in only three “employee concerns”, all successfully mitigated in house without further escalation. Executive Consulting facilitated the complete organizational restructure over a 24-month period with **zero** successful litigation while reducing production costs by more than 25% - an unprecedented result in the Power Generation industry.

According to the VP of Human Resources “Executive Consulting formed a very close-knit and productive alliance with our in-house HR resources, integrating ongoing HR initiatives to provide a change and performance improvement program. We’ve never had consultants who actually helped and supported other consultants or in-house programs.”

BACKGROUND

Millstone had been shut down by the NRC. After extensive analysis and testing, the owner (Northeast Utilities) was ready to begin the process of restarting the reactors. The company was faced with a number of serious organizational, operational, and process issues simultaneously. Management had decided to decommission one of the reactors and had to manage workforce redundancy. During the shut down, nearly two hundred specialized engineers and other workers were hired to do analysis and testing; some of whom were strategically critical in the future and others redundant to future needs. Future deregulation was pressuring the company to reduce operating costs when back in operation producing electricity. It was critical to implement the changes without additional litigation. Previous attempts had failed, and resulted in hundreds of millions of dollars in damages and lost revenue.

PROCESS

Executive Consulting consulted closely with the CEO/President and VP of Human Resources, and recommended proceeding as a two-part project:

Phase 1, conducted over 10 months, required the development of an interim structure and 25% reduction in the workforce:

- Executive Consulting conducted employee workshops to assess the interim organization. 92 two-hour workshops were conducted to include all employees in a two week period, and all resulting information compiled for review.
- Half-day, optional employee workshops were conducted to enable employees to manage their individual situations in advance of the change - workshops enabled employees to examine their own values and interests relative to the organization’s direction, and begin their own change management process.
- A zero-based staffing process was implemented for the Interim Organizational Structure. The process was to strategically select the optimal interim team (vs. blunt overhead cuts).

Phase 2, conducted over 14 months, required the review and improvement all of the key processes, “de-unitize” (*i.e.*, make units Two and Three identical in structure and procedures), reorganize to meet the demands of a smaller, more focused workforce, and conduct a staffing process to optimize skill sets for each of the positions – completing the force reductions.

- Executive Consulting worked with employee teams as well as a group of other consulting firms to integrate and implement the process improvements necessary to reduce operating costs.
- Working with a small group of employees and the Leadership Team, Executive Consulting designed the “final” organization which would leverage the resource savings from these process improvements.