

WINNER'S

CASE STUDY



Category **Project of the Year 2015**

Winner **MASS Transformation,
BAE Systems Munitions**

Sponsor **QinetiQ**

Overview

Until the mid-2000s, munitions manufacture in the UK had been a story of downsizing and decline for the previous 20 years. Project management of change concentrated on site closures and outsourcing; operations continued but with only essential maintenance of the remaining factories.

However, all of this was set to change. With UK forces deep into operations in Afghanistan and Iraq, the UK Ministry of Defence (MoD) and BAE Systems Munitions recognised the need for a long-term and sustainable on-shore munitions manufacturing capability.

This called for huge redevelopment of the existing manufacturing base, but with the challenge of a greatly reduced capacity to deliver it. The MASS Contract (Munitions Acquisition the Supply Solution) was the response, and this brought about the first major transformation project for a generation.

The five-year project to modernise the UK's munitions manufacturing business was to cover three sites with a total budget of £206 million and had to be delivered on time without disruption to the vital ongoing production, which supplied troops in action.

Objectives

The long-term MASS contract and partnering arrangement committed BAE Systems Munitions to deliver this industrial transformation, creating a capability fit for the future over a relatively short timescale.

It was to involve three former Royal Ordnance sites – Glascoed in South Wales, Radway Green in Cheshire and Birtley near Newcastle upon Tyne. It included finding a completely new site for Birtley, putting up a new building there and at Radway Green, and a redevelopment of Glascoed: demolishing redundant areas, creating new offices, manufacturing and laboratory spaces. At all facilities, modern, lean production systems and state of the art plant were installed.

Challenges

Creating a state of the art, efficient and fit for purpose capability within the budget and to time was a vast and unprecedented challenge for BAE Systems Munitions. Not only was it a one-off project of considerable complexity, it was also hugely significant because UK forces were actively engaged in combat.

Both the UK MOD and many in BAE Systems saw the transformation as a significant challenge, with some doubting it was even possible to complete on time and to budget. There was no off-the-shelf solution or precedent and existing skills and capabilities were restricted to ammunition development and production. However, the company felt it was important that the transformational change should not be solely delivered by a team of consultants or new recruits, as it would not then be fully owned in the business.

Each of the three sites presented further physical and management challenges of their own, from relocating and installing large numbers of manufacturing equipment without disrupting production; to dealing with buildings contaminated with explosives and the safe movement and disposal of 150,000 tonnes of hazardous material.

Resources and systems

In line with the determination not to bring in outside consultants or appoint new specialists, BAE Systems Munitions redeployed its own people already experienced in operations and trained them to be effective project managers. It also looked for and drew on best practice from around the company, other ammunition manufacturers and other industries.

It was critical to success to work closely and transparently with the UK MoD, internal customers including Operations and Engineering, and the external supply chain. Systems set up to achieve this included formal methodologies such as sign-off of requirements, specifications and statements of work, project gate reviews and more informal means such as joint development of processes and employee engagement communication and feedback days.

The project was organised from a small central project office led by a Project Director, which coordinated and



Geoff Payne, Head of Infrastructure and Investment, BAE Systems Land (UK)

supported larger project management teams on each of the three main sites.

All physical transformation activities had to be bought in, ranging from procuring and installing machines and services through to construction. Over 90 per cent of the budget was spent with the supply chain, calling for effective management of the many suppliers.

Results

For the employees redeployed from other roles, the project offered an excellent opportunity to develop project management skills on a major project. A Project Management function has now been embedded, which will continue to turn the virtuous cycle of project management development within the business.

UK equipment suppliers and construction companies were awarded over £100 million worth of contracts, and as a result many were able to win further business and enter new markets. Through diligent control of the budget at every level, the project was delivered under the original budget.

There was no disruption to supply during the project and this was achieved by joint planning and joint management with the customer which worked around issues as they came up.

The MASS legacy is the creation of a more sustainable industry, securing employment in the local areas. The sites share a common look and feel to support a fresh brand identity of a forward-looking business.

Above all, the UK's armed forces can now rely on a modern munitions industry flexible enough to meet demand at any time and the UK has a munitions industrial base that is an exemplar to others.



The APM Project Management Awards have been celebrating project management excellence since 1993 and the broad range of categories is designed to make entry possible for projects and companies of all sizes and complexity.

The awards reflect the invaluable contribution project managers make in all sectors of society and the event provides an opportunity for industry professionals to meet with colleagues and entertain guests as well as celebrate at one of the year's most exciting events.

Highly regarded in the project management industry, the awards reflect the dedication and talent that helps to shape the project management community and the world around us. The finalists, winners and sponsors of the awards attract national publicity for their achievement and involvement. Winning an award provides invaluable recognition and kudos to the careers of winners.

For more details on the awards and how to enter or attend, visit apm.org.uk/awards or email awards@apm.org.uk

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