



# Case Study

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## Transformation through M&A integration

### Background

In a 12-year contract worth \$2.1 billion, the South Australian Department of Transport (DIT) outsourced its metropolitan rail division to our client - a privately-owned global Rail and Infrastructure business.

Number 8 Consulting was engaged by the bid team to bridge the critical path of people operations in standing up this newly acquired business from sub-1 month through to post 3 months.

A cultural change undertaking was required as part of the new organisation and acquisition. This meant moving from a government service mentality to a commercial and customer service mentality and way of working.

### What We Found

However, a number of potentially catastrophic operational risks were exposed on the final sprint of operational readiness requirements to commence business:

- A significant shortfall of operationally critical resources required to run the operation.
- DITs employee base largely declined employment with the new owner. This included highly specialised train drivers and customer service attendants.
- Under DIT, the cost and duration to recruit and train a Train Driver took around 9 months at a cost of c.\$28,000 per individual. A customer service attendant, c. 4 months.



- The timeframe to recruit and train a new employee base could not be achieved within the window available to our client. The only way to commence operations was to 'loan' DITs employees at a higher cost, until they could recruit and train their own staff to replace them. The financial impact was a considerable blowout of the pre-purchase cost modelling.
- The emerging People, IT, Finance and Operations teams required additional capabilities to efficiently stand up compliance-related policies and processes, and align leadership teams.
- Much of the RTO learning methods were outdated; lacking contemporary, engaging and inspiring just-in-time learning. The cost to overhaul had not had been accounted for in budgets or timelines but was considered to be mission-critical.

## What We Did

Leveraged our industry expertise and capabilities to develop a large-scale recruitment strategy, leveraged technology, introduced outsourced partnerships, and repositioned in-house resourcing capabilities to promote, source and appoint new employees to deliver staffing needs within a 3 week window (formerly 16 weeks).

Audited DITs training program and negotiated with the suppliers to devise a commercially viable and contemporary training program.

This saw an overhauled qualification and learning experience that maintained safe, quality operations while contracting the qualification process to a period of 4 months (formerly 9 months for train drivers).

## Outcomes

- ✓ 100+ train drivers were recruited and trained over a 12 month phased program. Customer service attendants were appointed and trained within the first month of operations.
- ✓ Moved all leaders through tailored and purposeful touch points to bring about the culture needed to realise their strategic ambitions. This involved 1-2-1 coaching, devising an executive team charter, facilitating an inaugural all leaders conference, designing and developing all leaders induction program, and communication and performance upskilling.

Think we'd make a great team?  
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