
GHABBOUR AUTO

GB Auto (Ghabbour Auto) is the market leader in the automotive sector in Egypt. With more than 5,000 employees, the company is active in a variety of transport-related sectors, including passenger cars (Hyundai), commercial vehicles (Volvo, Mitsubishi), trucks, trailers, superstructures, construction equipment, spare parts, tires, passenger transport, cargo, and leasing.

Following its successful initial public offering [IPO] in the summer of 2007, GB Auto's Board of Directors identified the urgency of institutionalization to enable the company to attain strategic focus, achieve the planned growth, streamline its activities, prepare for diversification (offerings and markets), and ensure proper management and retention of its human capital. Following a thorough screening process of four major international consulting firms, the company hired CDS to lead, manage, and execute the 34-month Ghabbour's Institutionalization Program [GIP].

The first phase of the program involved working with GB Auto's Board and executive team to define and formalize the company's vision, mission, and values, as well as strategic development initiatives for the Group and for each business unit. Corporate governance mechanisms were also established and a target corporate organization structure was designed.

The second phase consisted of the development of modern and optimal operating and organizational systems for the various functions (sales, after sales, operations, supply chain, finance, HR, IT, etc.) for each of the business units and at the corporate center. A CDS proprietary process was followed to ensure buy-in for the developed recommendations and to validate their implementability. In all, over 500 employees and managers of GB Auto participated in this phase to develop approximately 350 unique processes.

The third phase involved setting up a Program Management Office in charge of implementation project management and monitoring. During the implementation phase, CDS focused as much on the cultural and human aspects as on the technical process of the change.

Realizing the importance of the human element in implementing and sustaining the new business systems, CDS also designed and implemented a new system for compensation and benefits that promotes internal equity, achieves a competitive position in the market, and attracts and retains talent.

Once the front-end as well as support activities were well underway, CDS' focus was turned to the multiple manufacturing sites (passenger cars, trucks, trailers, etc.). The objective was to streamline the management and the processes associated with running the plants and also to improve the productivity of each manufacturing unit. A holistic approach based on CDS' methodologies was selected by GB Auto's management, where all aspects of the manufacturing strategy and operations were assessed and redesigned, and new operating modes were put into place. This included critical areas such as quality management, whereby, using KPIs, the GB Auto manufacturing management team now focuses on, and has full visibility of the areas requiring their attention to produce high-quality vehicles.

MR. JUAN CARLOS CALLIERI:

BOARD DIRECTOR &
ADVISOR TO THE CEO
2007 - 2010

“ When initially comparing CDS’ proposal of an involvement lasting in excess of eighteen months, as compared to the four to six months of all other consulting firms, I was worried that momentum would be lost over such a long period.

Today I can say that I am extremely happy CDS was able to convince me and the management team about the advantages of their approach, because the experience we gained over the last couple of years clearly showed me that—if trying to do the same in a materially shorter period of time—we would not have been able to achieve the results already in place, and most likely we would simply have created significant turmoil and confusion, probably leading to a worse performance.”

MR. COLIN SYKES:

GROUP CFO

“ CDS was selected by the Board of Directors ahead of other major international names, not only because of its breadth of regional experience and understanding of regional culture, but also because it promised a long-term partnership with GB Auto to ensure the successful completion of the company’s goals.

Our Chairman and CEO, Dr. Raouf Ghabbour, is extremely pleased with the final result and effort of CDS and testifies that, without completing such an exercise with CDS, he cannot see how the business could continue to grow successfully at the rates that he envisions, nor how he could have attracted the management talent that the company is now beginning to enjoy.”