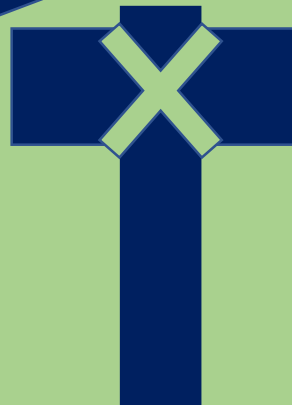


Building The Best Hammer

Making the most out of the 21st century tools

The University of Arizona
Eller College of Management

Kyle Packer
Philip LaMaster
John Jenkins Jr.
Shuyuan Chen



Agenda



- Situation
- Key Issues
- Criteria
- Alternatives
- Recommendation
- Implementation
- Finances
- Conclusion

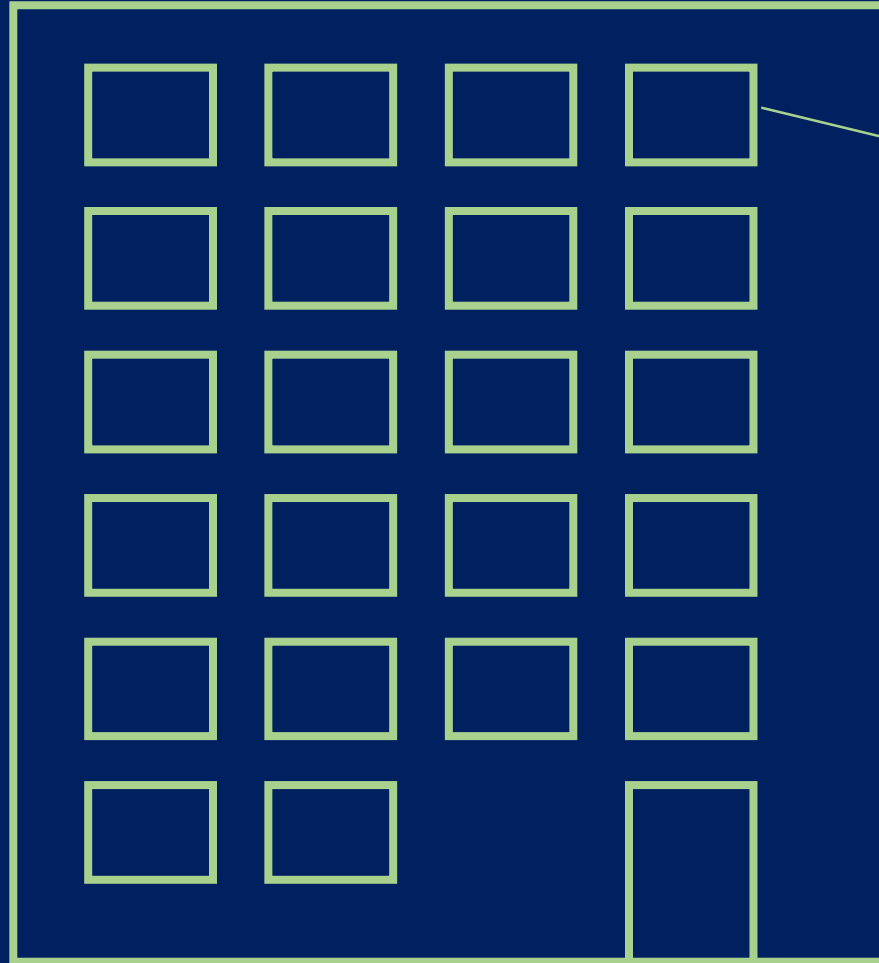




Building The Future Is Changing

SNC Lavalin has acquired Atkins
– a major EPDM consulting firm.

SNC Lavalin has financial goals to
reach \$5 EPS by 2020 but also
must fund transformations in its
business model



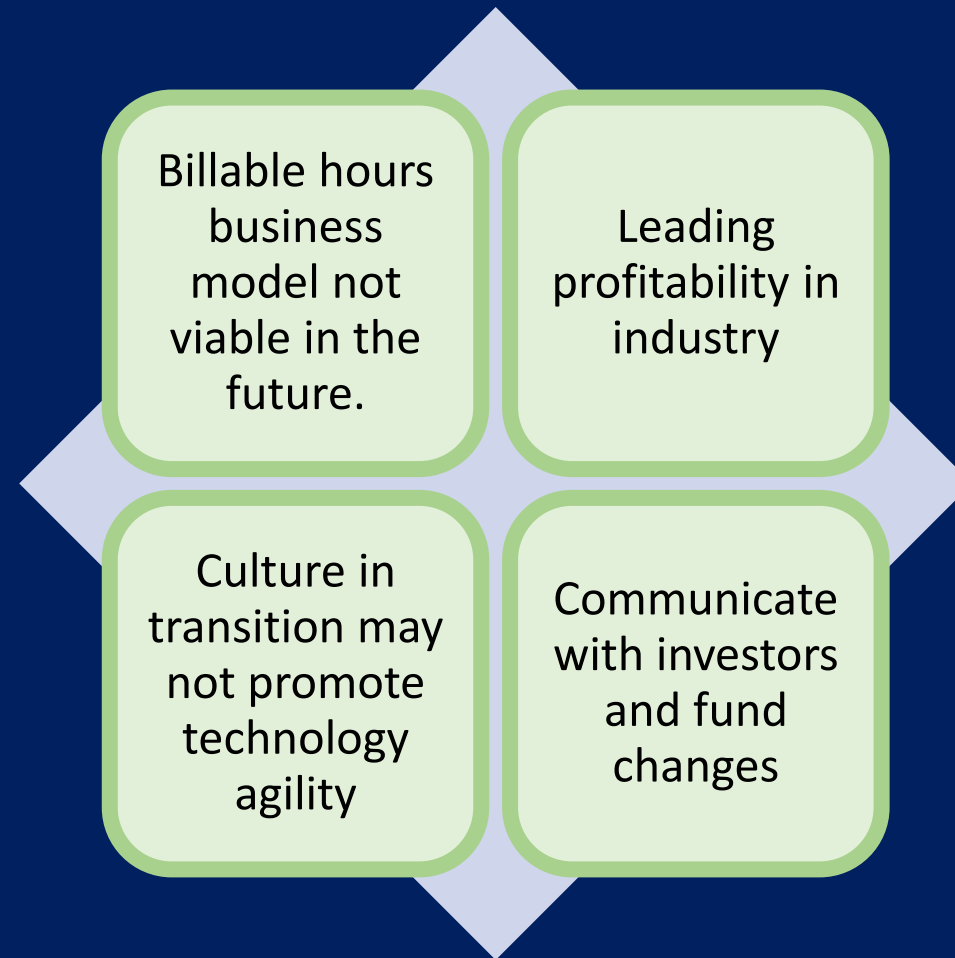
Building the future is changing

PPP are proliferating in
complexity and in use

Modern technology is changing
labor requirements and
overwhelming customers with
more data than ever.



Key Issues



Criteria



Sustainable Business Model

Performance Rewarding

Grows Profits

Customer-Centric



Alternatives



Alternatives	Sustainable Business Model	Grow Profitability	Customer Centric	Performance Rewarding
Value Based Pricing Model	Green	Green	Green	Green
Create Own External-Use Labor platform (ie. Upwork)	Red	Yellow	Yellow	Green
Management technology rotational Program	Green	Yellow	Yellow	Green
Utilize external contractor platforms	Red	Green	Red	Red
Create EPDM Dashboard	Green	Green	Green	Yellow



Recommendation



Transform

Current Model to data based value
add Pricing Model

Educate

Formalize management education to
keep our people data informed

Display

Place more data in our customers
hands than any other competitor



Value Based Pricing Initiative

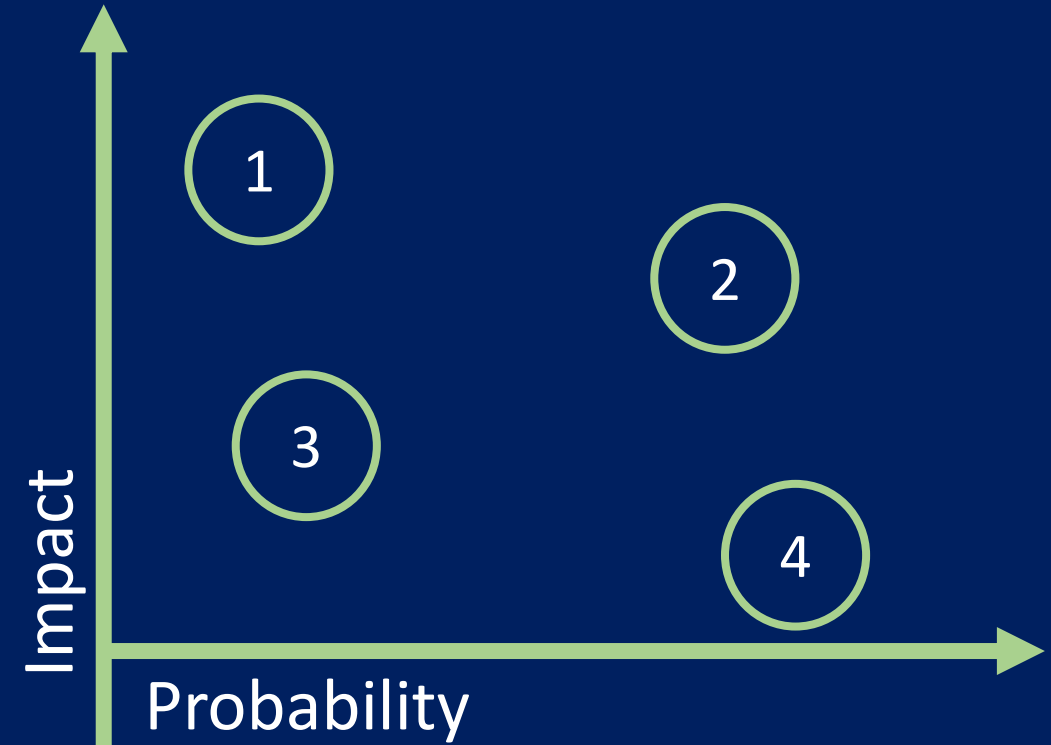


	2019	2020	2021	2022	2023
Value Based Pricing Initiative					
Develop Performance Contract Model	→				
Research existing project fees with P. C. Model		→			
Refine & Pilot Performance Contract Model			→		
Refine & Implement			→		
Monitor & React				→	
Client Centric Dashboard	→				
Rotational Training Program	→				

Risks



	Risk	Mitigation
1	Data breach impacts customer trust	Data security build-ins from day one.
2	Regulation or government policies inhibit growth	Selective selection of projects on government policy and approval.
3	Low internal acceptance of strategic changes	Internal transparency and technology rotational program
4	Investors do not support initial strategy	Transparency and communication



Project Budget

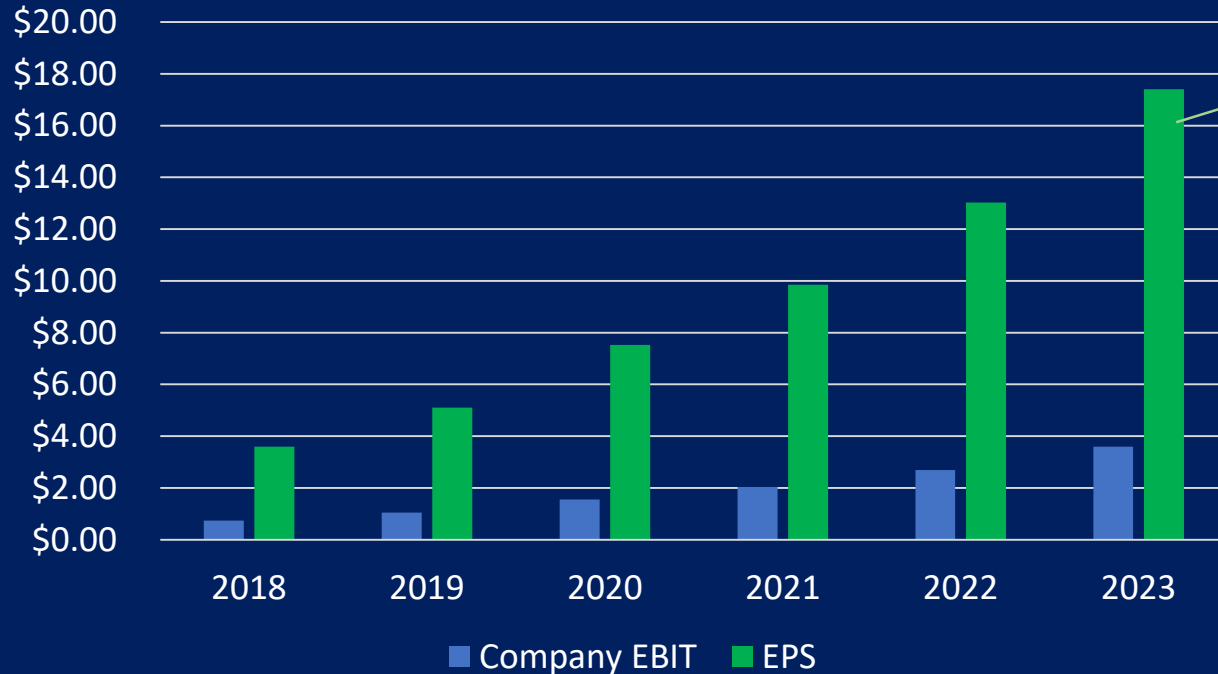


	Budget	Man hours
Value Based Pricing Initiative	\$400 million (over 5 years)	80,000 + customer incentives
Client Centric Dashboard	\$96 million	80,000
Rotational Training Program	\$ 700 thousand	10,000

Finances



Meeting and Exceeding EPS Goals



2020 EPS of 5.76
Based on 50% revenue growth in
EPDM with margin improvement
of 4%.



Conclusion



Transform

Current Model to data based value
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Back Up



	2017	2018	2018	2018	2019	2020	2021	2022	2023
		EBIT	Rest of						
		Margin	Company						
Oil & Gas	37%	26%	7%	\$6,80	\$7,48	\$8,23	\$9,05	\$9,96	\$10,9
Inftrustrature	21%	21%	7%	\$0,39	\$0,43	\$0,47	\$0,52	\$0,57	5
Nuclear	8%	9%	18%						\$0,63
Clean Power	5%	3%	13%	EDPM				\$14,1	\$19,7
Mining & Metallurgy	4%	6%	4%	Revenue (\$B)	\$3,2	\$4,80	\$7,20	\$10,08	1
Thermal Power	4%	1%	7%	revenue					6
				growth		50%	50%	40%	40%
Capital	3%	2%	7%	EBIT Margin	11%	13%	15%	15%	15%
EDPM	18%	32%	11%	Gross profit					
Total(\$B)	\$9,10	\$7,50	\$10,00	(\$B)	\$0,35	\$0,62	\$1,08	\$1,51	\$2,12
									\$2,96
				Company					
	\$2,28	\$2,50		EBIT	\$0,74	\$1,05	\$1,55	\$2,03	\$2,69
		1,10		EPS	3,60	5,11	7,52	9,85	13,03
									17,41