

Case Study: Rolls-Royce

The leadership issue: Transforming the performance of the Marine Division

Background

With a turnover of £2.0 billion, this division of one of the world's largest aerospace and marine companies is an acknowledged leader in marine systems.

The division had grown through global acquisitions and organically through new product development. Its margins were reasonable, but could be improved, and working capital was too high. The division needed to rationalise sites, increase output and improve productivity.

What we found

The structure of Service and Manufacturing sites across Europe was sub optimal; a full strategic review and action plan was needed.

The operational sites across The Nordics, Poland and China had experienced massive growth and installed new systems; there was a need to establish best-practice management and control across the sites, reduce working capital and improve productivity.

What we did

For the strategic review, we worked closely with a small specialist team from the company and developed a rigorous framework for presenting the various options clearly and facilitating rapid decision making.

The performance issue proved to be a longer project as real cultural change was necessary across the organisation. Working with a cross-functional team from the company involving people from planning, procurement, production and systems, we analysed the opportunities and prepared a programme for change. This has involved the introduction of a balanced set of key performance indicators (KPIs), rethinking the management teams' roles and how the business is planned and controlled.

New methods were piloted and are being rolled out across the organisation. On the factory floor, we used a 'hothousing' technique to test and learn new ways of working with the total involvement of the workforce.

Results

Sites' rationalisation decisions were made and implemented, driving up margins.

Working Capital was reduced by 20% in 14 weeks, throughput lead-times were reduced by 60% and productivity has increased by 20%.

The client continues to engage with Curzon and says we bring:

“Specialists who have real expertise and act more like quality interim managers, while also possessing the change skills and pace necessary to help develop the expertise of our people and deliver real results in areas where we have struggled to improve performance. They have an ability to work closely with the Executive Team, getting alignment around key decisions and accelerating the pace of change and improvement”.

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