



Rolls-Royce: market-leading innovation by introducing Agile Product Lifecycle Management

Situation

Rolls-Royce is a world leader in high-technology engines, renowned for high quality products. Globally, the brand is one of the most prestigious and respected. Rolls-Royce's market is intensely competitive, rapid innovation is essential as is the ability to compete in very smart ways.

To improve flexibility, capacity to deliver value and ability to respond to market demands, Rolls-Royce embarked on a 7-year global business transformation program. The goal was to introduce and optimise a Product Lifecycle Management (PLM) approach to engine design, manufacture and assembly businesses in the UK, Germany and US, involving over 10,000 engineering staff.

Rolls-Royce was three years into a seven-year business transformation program, implementing a Product Lifecycle Management approach using traditional management techniques. After three years, the business had achieved an improvement of only 6% efficiency, which was insufficient to meet the company's challenging market requirements.

Task

Convinced that switching to an Agile approach would enable the PLM transformation, Rolls Royce chose to partner with Radtac. The mission was to achieve faster time to market, rapid value delivery and increased innovation.

The scope included all aspects of the program across all relevant business departments, including organisation, process, technology, people and cultural change.



Actions

The Radtac team worked with Rolls Royce's team to catalyse their Agile transformation using a combination of coaching, consulting, practitioners and training. The programme involved more than 400 individuals in the UK, Germany and USA.

Together, the teams worked on:

-  defining the Agile program approach: structure, organisation and processes. This encompassed distributed working and the use of communities of practice
-  coaching teams to use Agile effectively with the new PLM approach
-  training all relevant individuals in Agile approaches, totalling over 400 project managers, team members and business stakeholders. The training was delivered globally across sites in the UK, Germany and USA
-  consulting support for the senior programme management and associated stakeholders

Results

The impact has been game changing. The company has enjoyed a significant boost in its ability to work effectively with distributed teams. Rolls-Royce switched to a predictable release schedule and commitments which are driven by business value. Their teams delivered 80% more changes than initially expected with a 90%+ acceptance rate for work managed through the new system.

This pioneering Agile transformation, a first for Rolls-Royce, extended far beyond the IT team, into other business areas across multiple geographies and at scale. Key stakeholders repeatedly praised the wide-scale cultural mind-shift that came with this program, helping the organisation to become more responsive. The key results included:

-  achieving effective distributed teams across multiple countries and functions
-  implementing block-point releases with a consistent and predictable calendar, with fixed time and cost, and variable scope
-  transitioning to making commitments that benefit business outcomes, rather than hitting purely technical objectives
-  embedding ongoing business process improvement.



To start with I was sceptical. Agile has brought accelerated value delivery to our business. Now I would fight 'tooth and nail' anything that threatened working this way. The Radtac team catalysed our transformation to Agile in an Agile way, allowing us to see improvements straight away.

Head of Product Lifecycle Management,
Rolls Royce