



Foreward to The Ten Keys to Successful Change Management

We have all been witness to the massive changes which have taken place in the way which we conduct our business and social affairs. I have experienced these changes in terms of the revolution in the aero-engine business which we at Rolls-Royce have lived with over the past three decades. Equally, dramatic changes have become the way of life in practically every major field of organisational endeavour. Today, our ability to manage change itself is arguably the most important barrier to progress.

The Ten Keys to Successful Change Management focuses on this very point, enabling organisations to speed up and intensify their efforts to exploit new developments in the world at large.

We cannot stay put. We must change and adapt as our customers and markets change and as our competitors evolve. In my view leadership is the essence of successful change. As the authors point out, leadership begins with Defining the Vision as a basis for rallying the organisation around a sense of purpose.

Perhaps more difficult than creating the vision is to be selective in making the right choices and having the ability to implement them rapidly and effectively for best results in terms of value, cost and time. This is essentially what the authors describe under the headings of Mobilising, Catalysing, Steering and Delivering.

These are the programme management dimensions of change: planning, organising, resourcing and controlling. There is no organisation, no matter how effectively it implements change, which does not aspire to do still better along these dimensions.



However, without a doubt, the most taxing aspects of major organisational change are the people and culture dimensions. Change programmes of any significant scale are simply threatening to most people in most organisations. Such programmes foster anxieties of many kinds related to one's future job stability, ability to perform, compensation, position and stature, and working relationships, to name but a few. These are anxieties that the average executive is not well-prepared to manage effectively, or even to understand adequately because they do not arise in the course of normal "business-as-is" operations. I personally found the authors to be particularly helpful in laying out the keys to the effective management of the human and cultural dimensions of change. These insights are relevant not only to the management of internal organisational resources but also to suppliers and customers to the extent that they are important participants in the change process.

At Rolls Royce we operate in a demanding competitive environment, requiring us to react with great speed to changes in customer demand, customer expectations, and customer business economics, while striving to be at the very forefront of new developments in design, manufacturing, and materials technologies.

The business is also subjected to cyclical fluctuations in the way our ultimate customers invest in new equipment (i.e., in our products) which complicates our planning activities. At the same time our next-in-line customers, the major airframe builders on the civil airspace side, are producing an item or which our products are only a (substantial) part. We need to respect their schedules at very high levels of conformity if we are to retain our preferred status as they strive to exceed their own customers' rising expectations.

Over the last few years we have increasingly had to recognize that the only way to confront these issues is to be ready for a change, radical as it may be, and to become resilient to it. All areas of our business have been affected, whether we've been making hard decisions on decreasing or increasing our capacity, investing heavily in new products and new manufacturing or testing facilities, adjusting our supplier network, or setting out our manufacturing strategy concerning for example what should be made where within our extended industrial structure.



None of these issues requires a once-and-for-all decision for resolution, more a continuum of choices which are each made at a cost in order to optimise our performance with respect to the market situation we face at the time, while not losing sight of our longer-term strategy or objectives.

This need for flexibility and continuous learning is fundamentally a question of agility, requiring openness to change at all levels of the company, including our global network of external suppliers who incidentally may often supply our competitors, or even be our competitors in another situation.

In our “better performance faster” initiatives which constitute our major change programme, we have been making many changes in the way we conduct our affairs, at a pace which is certainly fast enough for our ability to accommodate change to become the factor which limits our possibilities.

I am only too aware of the demands these initiatives make on our people, to adapt constantly to both new technologies and new ways of working. In addition we have been living in recent times with rapid rates of growth in our business and this too places other demands on the shoulders of our people.

We have always been aware that to maintain and enhance our position in the industry we must change and adapt as our competitors seek to enhance their offerings to our customers and to their own. This has required that our leaders bring to the organization not only a vision, but also a sense of reality, unquestioned ethics, customer orientation, a strong sense of responsibility, courage, sustained initiative-taking, and strong attention to teamworking at all levels in the organization.



In this book, by referring to the Case Study material featuring our company, the reader will gain some understanding of how we have been able to define a new vision for our company and also secure the participation of our staff in creating the organization to implement the vision and create the offerings which we believe are the most appropriate to the needs of our markets. The changes we have been making are substantial and represent an enormous effort for all of us in terms of the new thinking entailed and the magnitude of the changes we are all expected to undergo.

It is all too easy when confronted with the change to react adversely, or suggest it is for some one else to undertake, or simply to go into denial, to offer passive resistance or not respond, waiting for the management fad or flavour of the month to pass one by. In this book the causes for such reactions are analysed and explained to be a natural consequence of unfamiliarity with, or lack of guidance in, the change process. People demonstrating these characteristics often have simply not been involved with change often enough or successfully enough to appreciate the new company and personal dynamics that are created by radical and successful processes of change.

There is however a group of people who have lived through change often enough and successfully enough to be experienced in applying the process. Such people have very different characteristics. They welcome change, they are stimulated by, and respond to it. Such people are not a figment of the imagination. They are real and can be found throughout our company.

It is from among this group that will come the leaders of tomorrow, those best adapted to meet the needs of the next millennium. It is to their requirements that this book is particularly addressed.

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