CASE STUDY

BAE SYSTEMS CS&S MASS

(CUSTOMER SOLUTIONS & SUPPORT, MILITARY AIR SOLUTIONS & SUPPORT)

TRIUMPHA

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Before founding Triumpha, MD Andrea Adams worked for BAE Systems in the role of HR Director CS&S MASS. This case study illuminates her work developing strategy, systems, processes and culture in order to facilitate the business objectives of three independent parties. The goal was to reduce costs by 20% whilst also improving aircraft availability and capability. After transformation, costs were reduced by 60% to the satisfaction of all parties involved.

STRATEGY

BAE Systems CS&S MASS division needed to shift from simply providing military aircraft to its key clients, the Royal Air Force (RAF) and Ministry of Defence (MoD), to offering a complete service – specifically, after-sales support for military aircraft. This would achieve the RAF's aim of cutting costs while ensuring aircraft were capable and available to fly whenever needed.

TALENT AND CULTURAL IMPLICATIONS

BAE had a strong culture of design and engineering – with all the characteristics of professional management and organisational leadership that go with it. The RAF and MoD each had their own distinct cultures. Yet implicit in the strategy was a need to work in closer partnership. This led to some resistance: "There was a massive element that rejected the idea being put forward because the former 'paradigm' was so strong. The big challenge was to get people to suspend their scepticism," recalls Jon Coverdale, previously Group HR Director CS&S.

The Tornado aircraft was the first one considered for the programme – Andrea Adams and the leadership team had to prove the concept to win the RAF's confidence in the new plan.

Strategic profiling of BAE Systems' skills revealed a need for after-sales maintenance, but BAE's traditional strengths were in design and engineering. Leadership skills, too, had to change as BAE would now be working in partnership with the customer and that meant managing different types of people.

"Home-grown manufacturing and design people weren't trained in customer service." said Martin Blaze, BAE Systems' Aircraft Maintenance & Support Director. "So we looked for people who were attitudinally well placed to change skills and living arrangements. A process was created that helped us find the people within the organisations who could work without defined boundaries." Critical capability gaps were addressed by implementing a training academy purely based on the skills needed for output criteria. Meanwhile, hiring presented another set of challenges.

"Among BAE, the MoD and RAF, none of us were especially blessed with service talent, but we had to ensure people adapted or came in with a different attitude. Attitude was the biggest single factor in making the whole thing work – leaving behind cultural baggage and suspending judgement." says Jon Coverdale. It required five or six years of ongoing, iterative processes and introduced the concept of partnering. In workshops, forums, skills and capabilities training – more and more, attitude came to the fore."

Short term, BAE sought to work within its resource base, and there was a move towards refining skills and experience, as well as "a whole raft of innovations – we had to develop competencies in all areas, from finances to facilities and HR," says Graham Gabb, Vice-President of Industrial Collaboration, India, Military Air Solutions.

BAE IDENTIFIES SOME OF THE KEY SUCCESSES OF THE PROGRAMME

1. **The big picture** — An internal survey revealed that over half of BAE's employees didn't understand the strategic shift to after sales service. So an artist was brought in to illustrate the strategy as seen by those affected by it. This was discussed in dialogue sessions involving everyone from senior business leaders to employees. Using dialogue and visuals to discuss something quite complicated proved extremely powerful: a follow up survey found understanding of the strategy had risen to 82 per cent. It was, says Gabb, a "tremendous piece of work" that many still use today.
2. **Moving to the customer's turf** — Moving BAE Systems' staff away from "the mother ship" to the customer's bases at RAF Wyton and RAF Marham was a huge HR undertaking. But creating joint teams signalled to the customer that BAE was working with them, as one of them, rather than taking over what they did. This embedded a partnership approach that was carried through to new appointments, which were made jointly.
3. **Starting small** — pilot schemes were an effective way for both parties to gain confidence in the new programme.
4. **Putting processes in place** — A capability development programme looked at the organisation's current maturity and identified what talent plans would be needed to support the strategy. Value stream analysis and lean techniques helped to identify where processes were falling down.
5. **Building leadership** — Strengths-based leadership (a relatively new idea at the time) was used to encourage people to change and operate at their personal leadership best. Using strengths enabled the already high performing leadership team to individually and collectively raise their game to an even higher level..
6. **Instilling discipline and taking HR beyond the HR department** — the programme embedded questions that needed to be revisited regularly into lifecycle project management reviews.

RESULTS Tenacity, open conversations and continually reflecting on all the stakeholders' needs and progress was essential in sustaining engagement in the programme, and winning the hearts and minds of the stakeholders was more challenging than upgrading the technical skills of the organisation.

"That was some of the most strategic work that had to be done," notes Blaze. "Ten to 15 years ago, we were seen as a heavy engineering business. Now both we and our investors see value in the whole lifecycle, even through disposal (the aftermarket.) It's been a competitive success – customers now procure competency."

The end result? A resounding success. **But don't just take our word for it...**

"We worked with Andrea on a large scale business transformation project, involving central Government, the MOD/Armed Forces and the Defence Industrial Base. Large scale reductions to defence expenditure was the project goal and naturally personnel decisions were centrefold to achieving this. Andrea's thought leadership and strategic direction proved invaluable as business requirements changed within departments, organisations needed restructuring and people needed to become rerolled, trained, geographically moved or regrettably displaced. Throughout this time of large scale change Andrea's calm approach yet clear resolve to maintain direction, backed up by HR professionalism and experience, resulted in this project being capable of successfully managing the variety of issues it needed to resolve. ***They achieved far more than what was expected: the aim was to cut 20 per cent [of costs]. "We're way beyond 60 per cent."***

— Martin Blaze. Aircraft Maintenance & Support DirectorMilitary Air & Information, BAE Systems.

"Andrea brought a valuable outsider's view (as someone who didn't grow up at BAE), a fresh approach and different people to the change programme at BAE Systems. She understands how to make change happen at every level of an organisation, combining pragmatism with commercial acumen and creativity.She introduced rigorous and sustainable process improvements to the business. But she also added innovative touches such as the 'rich picture', a tremendous piece of work that made the business's move possible.It was a hell of a journey, and one of which Andrea should be proud – the increase in our technical capabilities was marked, as was our delivery of tangible value. People take it for granted now – perhaps the ultimate sign of its success."

— Graham Gabb. Vice-President Industrial Collaboration, India BAE Systems, Military Air Solutions.

To learn more about how Triumpha helps organisations create positive transformation, or if you would like to connect with the Triumpha team, please visit our site at **WWW.TRIUMPHA.COM** or feel free to give us a call at +44 (0) 161 818 4728.