



Impact on Organisational Performance

Winner

UK Operations Team,
Rolls-Royce and Mitie



Rolls-Royce Group Property & Mitie Integrated Facilities Management.

Mitie provides services at 28 of Rolls-Royce's UK sites, including all main production facilities. It delivers a fully integrated facilities model, providing engineering, cleaning, security, catering, waste and workplace design services, plus minor and intermediate projects. In 2018, Mitie entered its 22nd year of its partnership with Rolls-Royce, and the third year of the current contract.

When the FM contract was first tendered in 2015, all indirect spending at Rolls-Royce was being robustly challenged under financial constraints. This, says the firm, was causing a disconnect between expectations on site and the services procured, conflict over the revised scope of services and onerous governance on checking of work and performance – resulting in a lack of trust and demotivated employees.

As the engine manufacturer ramped up production, it had to deal with in-service performance issues with products, while Mitie's ability to work at a fast pace was under pressure. This all equated to a poor perception of the FM operation, as heavily governed processes drove the wrong behaviours, pulling the focus away from the customer.

A steering group comprising senior executives from both firms and representatives from operations, procurement, governance and commercial sectors agreed to a new FM culture, prizing a consistent approach and clarity at all levels of the business. Silo working was turned into a unitary model to embed a one-team culture; the UK was split into 10 clusters with an FM leading the team.

Five operational KPIs were created:

1. Basic delivery: Making the buildings safe, comfortable and conducive to fostering Rolls-Royce's competitive edge
2. Zero disruption to production by building resilience to adapt to changing business needs and highlighting nascent problems
3. Customer first: Ensuring the customer was central to all FM decisions made
4. Journey to zero harm: Operational teams worked on mitigating serious health and safety risks including chemical hazards, working at height and high-voltage activity
5. Energy focus: To manage energy sustainably by tackling high-volume manufacturing that produces large-scale waste and heating/cooling large buildings

Results

The facilities managers' authorisation levels increased to £2,500 for facilities management preservation (FMP) items within budget, allowing quick decisions to meet critical deadlines. This change was based on the previous 12 months' performance of work orders requiring FMP approval.

The change led to an 85 per cent reduction in quotes and approvals for the FMP budget, and teams working more efficiently. The introduction of data visualisation tool Tableau meant both teams had access to live data that could be viewed at building level – driving more efficiencies.

They removed inconsistent clauses from the contract, which has previously created a culture whereby services were delivered against fear of fines and penalties.

Last year, Rolls-Royce increased production with 469 large engines invoiced, and an additional 11 shipped to original equipment manufacturers. Growth in large engine installed fleet is at 8 per cent, and several product milestones were achieved, including launching the Pearl 15 engine, the Trent XWB-97 and Trent 7000 entering service on Airbus aircraft.

Best practice

To be an enabler not a perceived blocker. Provide solutions to current and predicted problems by involving the stakeholders;

Removing a penalty-led system and concentrate on rewards. A one-team culture creates great results when individuals know how to influence their own reward.

Focus attention on teams closest to the customer. Frontline operatives have the best relationships and the greatest insights.